

Mr. McKELLAR. Not more than once or more than 10 minutes.

Mr. LODGE. I ask that the proposed agreement be stated. The PRESIDENT pro tempore. The Secretary will state the unanimous-consent agreement as proposed.

The reading clerk read as follows:

It is agreed by unanimous consent that when the Senate concludes its session to-day it take a recess until 12 o'clock to-morrow, and no Senator shall be allowed to speak more than once nor longer than 10 minutes on the resolution (S. J. Res. 4) and any amendment thereto.

Mr. BRANDEGEE. That states my understanding of it.

Mr. LODGE. That is right.

The PRESIDENT pro tempore. Does the Senate understand that the word "and" is used, so that—

Mr. BRANDEGEE. So that no Senator can speak more than 10 minutes on the joint resolution and any amendment thereto—both together.

The PRESIDENT pro tempore. Is there objection to the agreement as proposed? The Chair hears none, and it is so ordered.

The question is upon the joint resolution as amended. Will the Senate propose to the various States the joint resolution as it has been amended? That is the question before the Senate at this moment, and the Chair is of the opinion that the roll must be called.

#### RECESS.

Mr. BRANDEGEE. I move that the Senate take a recess until 12 o'clock to-morrow.

The motion was agreed to; and (at 5 o'clock and 44 minutes p. m.) the Senate took a recess until to-morrow, Wednesday, March 26, 1924, at 12 o'clock meridian.

## HOUSE OF REPRESENTATIVES.

TUESDAY, March 25, 1924.

The House met at 12 o'clock noon.

The Chaplain, Rev. James Shera Montgomery, D. D., offered the following prayer:

They that wait upon the Lord shall renew their strength. Our Father in heaven, verify this merciful promise unto us. Our duties await us, and let Thy wisdom be applied unto each. May all our hearts be vitally touched by the love of the Master and an unceasing desire to help men and homes and make our Nation wiser and better. Teach us that faith in God and a life of Christian fraternity can redeem us from a life of fear and the dread of fate. Give us the will to yield ourselves to Thee both now and ever, through Jesus Christ our Lord. Amen.

The Journal of the proceedings of yesterday was read and approved.

#### MESSAGE FROM THE SENATE.

A message from the Senate, by Mr. Crockett, one of its clerks, announced that the Senate had passed bills of the following titles, in which the concurrence of the House of Representatives was requested.

S. 243. An act for the relief of Frank Vumbaca;

S. 334. An act for the relief of Kate Canniff;

S. 970. An act for the relief of the De Kimpke Construction Co., of West Hoboken, N. J.;

S. 85. An act to carry into effect the finding of the Court of Claims in the claim of Elizabeth B. Eddy;

S. 107. An act for the relief of John H. McAtee;

S. 114. An act to vacate certain streets and alleys within the area known as the Walter Reed General Hospital, District of Columbia, and to authorize the extension and widening of Fourteenth Street from Montague Street to its southern terminus south of Dahlia Street, Nicholson Street from Thirteenth Street to Sixteenth Street, Colorado Avenue from Montague Street to Thirteenth Street, Concord Avenue from Sixteenth Street to its western terminus west of Eighth Street west, Thirteenth Street from Nicholson Street to Piney Branch Road, and Piney Branch Road from Thirteenth Street to Butternut Street, and for other purposes;

S. 1867. An act for the relief of the estate of John Stewart, deceased;

S. 2625. An act to detach Jim Hogg County from the Corpus Christi division of the southern judicial district of the State of Texas and attach the same to the Laredo division of the southern judicial district of said State;

The message also announced that the Senate had passed with amendments the bill (H. R. 655) to provide for a tax on motor-vehicle fuels sold within the District of Columbia,

and for other purposes, in which the concurrence of the House of Representatives was requested.

The message also announced that the Senate had concurred in the amendment of the House of Representatives to bill (S. 214) for the relief of the Old National Bank of Martinsburg, Martinsburg, W. Va.

#### SENATE BILLS REFERRED.

Under clause 2, Rule XXIV, Senate bills of the following titles were taken from the Speaker's table and referred to their appropriate committees, as indicated below:

S. 85. An act to carry into effect the finding of the Court of Claims in the claim of Elizabeth B. Eddy; to the Committee on Claims.

S. 107. An act for the relief of John H. McAtee; to the Committee on Military Affairs.

S. 114. An act to vacate certain streets and alleys within the area known as the Walter Reed General Hospital, District of Columbia, and to authorize the extension and widening of Fourteenth Street from Montague Street to its southern terminus south of Dahlia Street, Nicholson Street from Thirteenth Street to Sixteenth Street, Colorado Avenue from Montague Street to Thirteenth Street, Concord Avenue from Sixteenth Street to its western terminus west of Eighth Street west, Thirteenth Street from Nicholson Street to Piney Branch Road, and Piney Branch Road from Thirteenth Street to Butternut Street, and for other purposes; to the Committee on the District of Columbia.

S. 243. An act for the relief of Frank Vumbaca; to the Committee on Claims.

S. 334. An act for the relief of Kate Canniff; to the Committee on Claims.

S. 970. An act for the relief of the De Kimpke Construction Co., of West Hoboken, N. J.; to the Committee on War Claims.

S. 1867. An act for the relief of the estate of John Stewart, deceased; to the Committee on Claims.

#### CHANGE OF REFERENCE.

Mr. GREEN of Iowa. Mr. Speaker, I ask unanimous consent for the reference of two bills (H. R. 4104 and H. R. 754) which have been referred to the Ways and Means Committee. They relate to the fur-seal industry and the interest which the Government has in the matter, which now belongs to the Department of Commerce. While these matters were probably within the jurisdiction of the Ways and Means Committee at one time, in my judgment they should now go to some other committee.

The SPEAKER. Is there objection to the transfer of these bills from the Ways and Means Committee to the Committee on the Merchant Marine and Fisheries?

Mr. GARRETT of Tennessee. Can the gentleman state whether the Committee on the Merchant Marine and Fisheries feels it has jurisdiction over them?

Mr. GREEN of Iowa. That is my understanding.

Mr. GARRETT of Tennessee. Has there been any conference about it?

The SPEAKER. The matter has been brought to the attention of the Chair, and it was the intention of the Chair to confer with the chairman of the other committee, so that there might be an agreement between the two chairmen.

Mr. GREEN of Iowa. Mr. Speaker, perhaps I should let the matter be laid over until the Speaker has a chance to confer about the matter.

Mr. MONTAGUE. Mr. Speaker, I ask that H. R. 7356, which was referred to the Committee on the Judiciary, the jurisdiction of which has been disclaimed by that committee, be referred to the Committee on Interstate and Foreign Commerce, to which it was obviously intended to go.

The SPEAKER. Without objection, the rereference will be made.

There was no objection.

#### IS CONGRESS TO BLAME?

Mr. EVANS of Montana. Mr. Speaker, when the World War terminated the Government found itself in possession of many hundreds of millions of surplus goods and supplies for which it had no use, and Congress authorized the sale and disposition of these war supplies with a view to salvaging as much as possible from same. A few days ago the gentleman from Kentucky [Mr. JOHNSON] in a speech on the floor of this House said he had heard a side remark that an auctioneer had been paid \$1,000 a day, or, rather, for a few minutes of the day, for crying the sale of some of these Army goods. He therefore started an investigation and secured from the War Department a report as to how much money had been paid to auctioneers and the names of the men and the place where these sales had been conducted, and that report was laid before this House.

The contents of that report should challenge the attention of Congress and the people of the Nation.

The atmosphere of Washington is so laden with scandals and sensations that the revelations made in that report seem to have made but little impression on the Congress or the people of the country.

It develops that the plan of compensating the auctioneers was on the percentage basis, instead of by the day, week, month, or year. Just what the motive may have been for adopting the percentage plan is one of conjecture only. However, it can be safely stated that no more effective way of paying large fees could possibly have been devised.

The report which was furnished by the War Department discloses that M. Fox & Sons, of Baltimore, Md., were employed on 113 different days for merely crying auction sales. The testimony showed that the auctioneer did not pay for the advertising nor for any other expense incident to the sale. The compensation allowed the auctioneer in every instance was merely for saying, "How much am I offered for this piece of property?" then stating the offer or offers, and then saying, "Look out! All in! Once, twice, three times, and sold!" For those 113 days the auctioneer was paid the enormous sum of \$230,370.72. For less than one-third of a year he was paid more than the President's salary for three years. To go more into detail, he was paid \$2,038.67 for only a part of each of those 113 days. This auctioneer was paid at the rate of approximately three-quarters of a million dollars a year.

Gerth's Realty Experts, of New York, were employed as auctioneer for 18 days. Their compensation was \$11,450.56 a day, making a total for the 18 days of \$206,110.08. For each of those 18 days the auctioneer received only a little less than the annual salary of a justice of the Supreme Court of the United States, and for the 18 days he received nearly enough to pay the annual salaries of the nine members of the Supreme Court for nearly two years. And for each and every one of those days he received nearly as much as is paid to a Cabinet officer for a whole year.

Gordon & Williams, of Chicago, Ill., were employed as auctioneer for 16 days. For those 16 days they were paid \$42,289.79, an average of \$2,643.11 for each day. Congress will discuss for hours the propriety of adding \$143 to the salary of a Government clerk who already is receiving \$2,500 per year, but we find that in this case the auctioneer was paid more than such a salary for a comparatively short portion of one day's work without a word of protest.

The Louisville Real Estate & Development Co., of Louisville, Ky., was employed one day as auctioneer. For that one day that concern was paid \$24,194.80, which amount would almost pay the salary of the collector of internal revenue at Louisville for four years. If the collector had been paid on the same basis, his compensation while the whisky tax was being collected would have amounted to \$200,000 a day, or \$7,300,000 a year. If one is paid on the percentage plan, why not the other? The amount received by this auctioneer for one day's services would not fall far short of paying the salary of the governor of my State for four years.

J. Hall Miller, an auctioneer, of Atlanta, Ga., was employed for 30 days, for which he was paid \$37,209.44, a daily average of \$1,204.31. At that rate his compensation for a year would have been \$439,593.15. His compensation for one month was more than sufficient to pay the salaries of three Cabinet officers for 12 months.

Arthur C. Sheridan, an auctioneer, of New York City, was employed for one day, for which he received \$4,603.20. At that rate his compensation for a year would have been \$1,630,168.

Smith & Jaffe, auctioneers, of New York City, were employed for 39 days, for which they were paid \$73,719.28, a daily average of \$1,890.24. The amount paid that firm for 39 days would very nearly pay the annual salaries of 10 United States Senators. At the rate of \$1,890.24 per day the annual compensation would amount to \$689,937.60.

A. T. Swepston, of Chillicothe, Ohio, was employed for 10 days, for which he was paid \$24,883.56, a daily average of \$2,448.35. At that rate his annual compensation would be \$908,247.75.

Michael Tauber, of Chicago, Ill., was employed for 26 days, for which he was paid \$60,600.56, a daily average of \$2,230.78, at which rate his annual compensation would be \$850,734.70.

Wilmerding, Morris & Mitchell, of New York City, were employed for nine days as auctioneers, for which service they were paid \$18,789.96, a daily average of \$2,087.77; at which rate the annual compensation would be \$762,039.05.

Samuel Wintermiltz, an auctioneer, of Chicago, Ill., was paid \$59,995.48 for 13 days. His compensation averaged \$4,615.03 a day. At that rate his annual compensation would amount to

\$1,684,485.95. The amount paid this man for 13 days would lack only \$5 of paying six members of the Interstate Commerce Commission their annual salaries.

Samuel T. Freeman, of Philadelphia, Pa., was employed for 64 days, for which he was paid \$167,163.43, a daily average of \$2,611.93. At that rate his annual compensation would be \$953,354.45. The amount paid this man for 64 days would pay the salaries of the nine Cabinet officers for a year and in addition would lack but little of paying the annual salaries of six district Federal judges.

Atlantic Coast & Realty Co., of Petersburg, Va., was paid \$2,870.18 for one day.

Auctioneer Newell D. Atwood, of Boston, Mass., was paid \$1,189 for eight days.

Auctioneer W. L. Bennett, of Columbia, S. C., was paid \$1,202.57 for four days.

Jacob Cash, of New York City, was paid \$4,046.85 for one day. At that rate his compensation for a year would amount to \$1,477,100.

P. L. Crouch, of Des Moines, Iowa, for nine days was paid \$17,962.74, a daily average of \$1,984.98, at which rate his annual compensation would be \$724,627.70.

Fay W. Danford, of Rochester, N. Y., was employed for three days, for which he received \$13,585.88, a daily average of \$4,528.62; at which rate his annual compensation would amount to \$1,652,946.30.

Danford-Bliss, of Buffalo, N. Y., was employed for two days, for which was paid \$4,445.48, a daily average of \$2,222.74.

Joseph P. Day, of New York City, was paid \$3,723 for two days, a daily average of \$1,861.50.

Isidoro D. Delgado, of San Juan, P. R., for six days received \$567.64.

John J. Erwin, of Jersey City, N. J., for one day received \$1,765.

Fitzpatrick Tell Auction Co., New Orleans, for three days received \$1,321.23.

Abe Franklin (no address given) for four days received \$247.43.

Alfred Freeman, of New York City, for nine days received \$21,007.59.

Samuel T. Freeman, of Philadelphia, for 12 days was paid \$28,470.21.

Leo Fresh, of Atlanta, Ga., was paid \$1,136.85 for one day.

Julius Gollober, of San Francisco, Calif., was paid \$8,143.04 for seven days.

Dan Greenberg, of Los Angeles, Calif., was paid \$1,775.36 for one day.

Henry J. Healy, of Worcester, Mass., was paid \$2,175 for 23 days.

Bryan Kennelly, of New York City, was paid \$7,725.96 for two days, an average of \$3,862.98 per day; at which rate his yearly compensation would have been \$1,409,987.70.

Aleck Licata (no address given) received \$621.54 for seven days.

Thomas B. Lovatt, of Philadelphia, was paid \$8,096.35 for seven days.

Joseph Rubin, of San Antonio, Tex., for 34 days received \$34,389.11.

R. E. Swepston, of Chillicothe, Ohio, for one day was paid \$2,177.50.

David B. Traxler, of Greenville, S. C., was paid \$7,978.60 for five days.

Joseph P. Tupper, of Logan, Iowa, was paid \$2,486.93 for one day.

A. A. Weschler, of Washington, D. C., was paid \$153.82 for four days.

Fox, of Baltimore, was paid \$13,659.45 on the 19th day of September, 1922, for crying a sale on that day.

Smith & Jaffe, 68 West Forty-fifth Street, New York City, were paid \$28,102.26 for making a sale on August 16, 1921.

Gerth's Realty Experts, 505 Fifth Avenue, New York City, were paid \$23,558.84 for sales made from the 16th to the 19th day of August, 1921; and for crying sales on the 10th to the 16th day of October, 1921, they were paid \$56,030.82; and for crying sales on the 16th and 17th days of December, 1921, they were paid \$45,407.52; and for crying a sale on December 7, 1922, they were paid \$42,750. For the four sales just referred to that same firm was paid \$167,747.18.

The total compensation paid to auctioneers, as just recited by me, amounts to \$1,187,097.83, of which amount 14.659 per cent was paid during the Woodrow Wilson administration and 85.34 per cent under the administrations of Presidents Harding and Coolidge.

The report from the War Department carries this further significant statement:

Due to the necessity of submitting this report at this time, the Ordnance Department has been unable to furnish data relative to auctioneers employed by that department. The records on this subject at the various district ordnance offices have been boxed and stored; therefore there will be a delay in the submission of their report. As soon as it is received in this office it will be forwarded to your office promptly.

Thus it is revealed that only a partial list of these enormous payments are above recited and nobody seems to know what the total expenditures for the services of these auctioneers may be.

In the course of the speech made by the gentleman from Kentucky [Mr. JOHNSON] the following colloquy took place:

Mr. ANTHONY. Mr. Chairman, will the gentleman yield?

Mr. JOHNSON of Kentucky. Yes.

Mr. ANTHONY. Is it not true that this system, which we must all condemn as being wasteful and extravagant, prevailed under both administrations?

Mr. JOHNSON of Kentucky. I just so stated.

Mr. ANTHONY. And was caused by the laxity of Congress in this case in authorizing the War Department to make these sales of surplus property and to consume 5 per cent of the total amount realized in the expense of selling?

Mr. JOHNSON of Kentucky. I can not answer the gentleman's question, because I have not the information.

Mr. BYRNS of Tennessee. Mr. Chairman, does the gentleman mean to say that Congress authorized a 5 per cent commission?

Mr. ANTHONY. I think I am correct in stating that Congress authorized them to spend 5 per cent of the amount realized in the cost of selling, and in this bill we are undertaking to curb their advertising costs.

Mr. BYRNS of Tennessee. I would like to have the gentleman present that authority; but even if it be true, that would not justify any public official who wanted to conserve the public money in spending these immense amounts the gentleman has referred to.

Mr. ANTHONY. It is stated in the hearings by the War Department officers that they are authorized to spend 5 per cent.

If, as suggested by the gentleman from Kansas [Mr. ANTHONY], Congress had made any provision as to the expenditure of 5 per cent of the receipts for these goods, I venture the assertion that it was a limitation which provided that not more than 5 per cent of the purchase price should be spent for the sale of the goods.

It was not the intention of Congress that 5 per cent should be allowed for these sales, but it was a direction to the War Department that in no case should more than 5 per cent be so expended, and the law appears to have been interpreted by the officers who were executing same that if they could not find anywhere else to expend the money that they should give it to auctioneers, regardless of the value of their services. The law, of course, was drafted upon the assumption that it would be executed by honest officials, by officials diligent and vigilant in the discharge of their duties, by officials who would have some regard for the taxpayers and the people of the country. No legislation that Congress can enact will ever be made safe against corruption or incompetency, and this law is no exception. We must and do pass many laws reposing power in officers of the Government. We expect and have reason to expect that they will discharge their duties honestly and faithfully, in a businesslike manner, and with due regard for the people and their welfare, including the Treasurer of the United States. It is absolutely necessary for Congress to trust to some extent to the honesty and the vigilance and the common sense of the officials charged with the execution of the laws. It is an outrage upon the American people that any official should construe a limitation such as above recited to mean that he must pay 5 per cent of the selling price for the sale of these goods.

A few days ago the Senator from Idaho [Mr. BORAH] made this significant observation on the floor of the Senate:

Homes are being sold over this country because people are unable to pay their taxes.

Business men are distressed because they are unable to meet their taxes. Farms upon which people have lived for half a century, giving their time and their industry and their effort to making homes and rearing families, are now passing from them by reason of tax sales.

Equally distressing with the tax situation is the agricultural condition in this country. It would be difficult to command language adequately to describe the condition of the agricultural interests, especially through the great 15 Northwestern States, those great agricultural States. Speaking upon this matter some months ago, I referred to the fact that in one county in a great agricultural State there were

6,000 items in a single newspaper advertising property for sale which belonged to farmers. I received many letters from over the country wanting to know if that was not an error, whether it was not 600 instead of 6,000. It was not an error; it was a correct statement of the fact, and that is only indicative of a distressed condition which prevails throughout the agricultural regions, certainly in all the Northwestern States and, in my judgment, to a marked extent in all the States.

Thousands of men and women, not alone in my State but all over the West, are not only bankrupt but at the door of the poorhouse. I wonder if the people in official life realize what these people must think when they read this sordid story of waste, if nothing worse.

Every time waste or corruption is revealed somebody rises in or out of Congress and loudly proclaims Congress is to blame for enacting the law under which it occurred. When the Senate of the United States unanimously passed a resolution which was approved by the President, asserting that the oil reserves set apart for the Navy in time of danger had been bartered away "under circumstances that indicated fraud and corruption, in violation of the law and against the settled policies of the Government," men were heard to assert that Congress was to blame, and if it had not enacted certain legislation these reserves could not have been bartered away.

Why, of course, Mr. Speaker, if Congress had never set apart these reserves there would have been no reserves to lose. I suppose that should we wake up some morning and find somebody had sold or stolen the Goddess of Liberty from the Capitol Building some one would rise and say George Washington was to blame because he and his compatriots provided for a Capitol Building, and if they had made no such provision there would have been no Goddess of Liberty to steal. Again, Mr. Speaker, if we should some day find the Treasury looted of what cash still remains, somebody would say Congress is to blame because it levied taxes upon the people, and if they had levied no such taxes then there would have been no money in the Treasury to be wasted or stolen.

Mr. Speaker, I do not know what other men may think, but I give it as my candid opinion that the revelations in governmental affairs during the past 60 days have rocked the very foundations of this Government. Free institutions and popular government have received such a blow as they never received in the history of America. The right of free government is trembling in the balance; the virus of waste and corruption has gotten into the blood of official life in this country, and the best and only antidote that I can suggest is to promptly put somebody in jail.

#### INCREASE OF PENSIONS FOR THE SPANISH WAR VETERANS.

Mr. ALLEN. Under leave granted to extend my remarks I insert the following letter:

PIEDMONT, W. VA., March 19, 1924.

Members of Potomac Camp, No. 5, Department of West Virginia, United Spanish War Veterans, at its regular meeting on March 6 indorsed the Knutson bill (H. R. 5934) in the following language:

"Resolved, That the members of Potomac Camp, No. 5, United Spanish War Veterans, Department of West Virginia, do hereby go on record as indorsing the bill (H. R. 5934) which provides for an increase of the pensions for the Spanish war veterans, and to certain maimed soldiers; and be it further

"Resolved, That we pray and petition the United States Congress for immediate passage of this bill, and that a copy of this resolution be sent to Congressman R. E. L. ALLEN, requesting him to have it read into the RECORD.

[SEAL.]

NORRIS BRUCE, *Commander.*  
CHAS. A. BOYLES, *Adjutant.*  
S. C. RICE, *Quartermaster.*

#### THE EX-SERVICE MAN IS THE OUTSTANDING VICTIM OF OUR PARTICIPATION IN THE WORLD WAR.

Mr. GARBER. Mr. Speaker, the services rendered by the American soldier were the most important and determining factor in winning the World War. Our obligation to compensate him for such services is a part of the war debt itself and a preferred and prior claim upon the Government, more binding upon the conscience of the Nation than any other of its contractual obligations.

By selective draft nearly 4,000,000 men were pressed into military service. We should have drafted the services of capital and labor as well. We did not. Our neglect to do so caused the discrimination against the soldiers out of which arose the claim for adjusted compensation.

For the services of the men while in camp, we paid \$1 per day; for the services of the men while overseas, \$1.10 per day.

In agricultural States the young men were taken from their recently rented or purchased farms; in the cities and towns from their chosen occupations or professions. By arbitrary draft they were taken from their homes and families and compelled to abandon all their material prospects for the uncertain period of the war. Capital and labor remained at home and without license were permitted to take advantage of the Nation's necessities.

The young men, so taken, were hustled and jammed into hastily constructed and insanitary training camps. There they were subjected to unusual exposure, contagious diseases, and the daily grind of military training. From the camps 2,000,000 men were sent overseas in crowded ships; then in crowded cars were taken inland to camps and finally by weary marches up to the front to the trenches and the firing line.

At the time when the Government was paying its soldiers in camp \$1 per day and overseas \$1.10 per day, it paid its employees working in its navy yards, living at home, in the lap of luxury, convenience, and safety from \$6 to \$12 per day; in its arsenals from \$6 to \$10 per day; on its 10 per cent plus contracts from \$5 to \$12 per day. To its over 500,000 civil-service employees, receiving \$2,500 per year or less, it has paid each a bonus of \$240 per year for the last five years in addition to their regular salaries, or a total bonus of \$1,200 each. Mind you, this is what the Government itself did in the payment of wages and salaries and bonus to its employees who remained at home. Do you believe it was fair for the Government to pay the men at home \$12 per day for working on its ships and to pay the men fighting on the ship only \$1.10 per day? Do you believe employees in its arsenals should have received \$10 per day and the men on the battle field be limited to \$1.10 per day? Do you think \$2.35 per day for our fighting men facing death too much? Do you think \$2 per day for our men training in camps facing disease too much?

The high wages at home were not only paid by the Government but in the channels of trade in the business world as well. Bricklayers, masons, plumbers, carpenters, for eight hours work, exacted from \$8 to \$14 per day. Common labor, in all its various forms, including labor on the farm, was paid from \$4 to \$6 per day.

It is true the soldier received his clothes and board in addition to his wage, but that advantage was largely neutralized by the unusual requirement compelling him to deduct so much for insurance. The business world pays for the insurance of its employees. The Government required the soldiers to pay their insurance out of their monthly wages. From the \$30 per month received, must be deducted the \$15 which the soldier was required to send back to his dependents in addition to the cost of his insurance, leaving him a balance of from \$7 to \$9 per month with which to pay his sundry expenses. When he received the \$60 payment on his return home to begin life anew, he was without sufficient money, at the then existing prices, to purchase a civilian suit of clothes. He was without his chosen employment to earn even a competency. Stripped of everything he had, material and prospective, he was required to make new arrangements and incur new obligations to enter again the industrial world from whence he had been so arbitrarily taken.

The celebrations, greetings, and banquets for heroes home, in a short time had to give way to the menial task of digging in. To readjust himself to the changed conditions was the perplexing and most difficult problem of the returned soldier. He was the outstanding victim of our participation in the World War. He was the heaviest contributor and the heaviest loser.

That the people generally recognize and disapprove of the unadjusted discrimination against him is evidenced by their action in 22 States, authorizing payment of adjusted compensation.

The following table shows the cash bonus paid by the States to their veterans of the World War:

Illinois.....	\$55,000,000
Iowa.....	22,000,000
Kansas.....	25,000,000
Massachusetts.....	22,275,000
Maine.....	5,211,397
Michigan.....	30,657,578
Minnesota.....	25,000,000
Missouri.....	15,000,000
New Hampshire.....	1,061,423
New Jersey.....	11,250,000
New York.....	45,000,000
North Dakota.....	11,000,000
Ohio.....	32,500,000
Oregon.....	20,000,000
Rhode Island.....	2,588,000
South Dakota.....	6,000,000
Vermont.....	1,500,000
Washington.....	13,500,000
Wisconsin.....	16,102,000
Colorado.....	8,000,000
Montana.....	4,500,000
Pennsylvania.....	35,000,000

Wherever the question has been submitted the people in the several States, by overwhelming majorities, have authorized the payment of adjusted compensation to their soldiers. The Representatives from such States might have colorable claim to oppose this measure on the ground that they have already taxed themselves and paid the adjustment provided for. Opposition based on such grounds might well be consistent and valid, but even in the majority of such States the people, through their Representatives, recognize the national obligation as still existing. So long as such unselfish spirit and appreciation exist this country will remain sound to the core and the safety of our cherished institutions will remain assured.

When a majority of the States already having paid a cash bonus to their soldiers are recognizing the national obligation and supporting this measure providing for its payment, what can be justly said in opposition by the people in the States not yet having contributed anything toward the payment of such adjustment? Nothing. Opposition from such sources would be indefensible. It would be ungrateful. To the credit of the people of such States, however, it can be truthfully said they are not ungrateful, not unmindful, or unappreciative. Through their Representatives they are supporting this measure and hope it will be speedily enacted into law as tangible evidence of their sense of justice and appreciation.

When we emerged from the war and took a survey of our finances conditions then existing were alarming. While the people in good faith accepted the slogan "Anything and everything to win the war," and contributed their last dollar toward the purchase of Government bonds, hyenas in human form prowled and plundered. Billions of the hard earnings of the people were wasted and squandered, confiscated and appropriated. The people were induced to borrow money from banks at a high rate of interest to purchase bonds upon the representation that it was necessary to raise funds to sustain our soldiers in camp and field. The moneys thus exacted, to the extent of billions, were loaned without authority of law to foreign countries after the armistice was signed. Corporations, trusts, and unscrupulous organizations of every kind and character pillaged and plundered. Contracts were given for war supplies to favorites at enormous prices without regard to the Nation's interests. The following record from the War Department shows with what criminal abandon the hard-earned dollars of the people were expended:

Forty-one million pairs of shoes for 3,500,000 soldiers; or 12 pairs for each man; 149,456,611 bread cans, or 42 for each man; 2 saddles, 4 covers, 6 halters, and 6 harnesses for each horse; 12,000 sets of ambulance harness, when the Army was using gas-driven ambulances; \$20,000,000 for coke ovens and no coke; \$35,000,000 for acid plants and no acid; \$116,000,000 for poison-gas plants and no poison gas; \$127,000,000 for docks never used; \$60,000,000 for one powder plant, \$90,000,000 for another powder plant, and no powder while the war lasted; \$116,000,000 for a nitrate plant, and no nitrate during the war; over \$1,000,000,000 for aircraft, and not a fighting plane at the front; another \$1,000,000,000 for artillery, and less than 150 American-made cannons on the firing line; \$3,500,000,000 for merchant ships, with less than 600 keels laid during the war, and more than 700 laid after the armistice, and out of a total of 1,300 ships, more than 1,000 were either too small or too slow, or otherwise wholly unfit either for international commerce or for coastwise trade, and now unsalable except for junk.

Unbelievable but true. Add to this \$484,000,000 allowed and paid on post-war activities, mostly with no contract to support the gratuities; \$11,000,000,000 paid to foreign governments with no evidence of debt taken, to say nothing of a contract to repay. I forbear to enumerate the hundreds of millions wasted on cantonments and other contracts on a cost-plus basis.

The Teapot Dome oil revelations showing an exploitation of the Nation's oil reserves are to be deplored. Those responsible must be prosecuted to the limit and imprisoned for their betrayal of the public interests. Every vestige of wrongdoing, grafting, and betrayal must be punished and the perpetrators driven from public life. There is no man in the United States in whom the people have greater confidence in seeing that this shall be done than Calvin Coolidge. But I submit that the attempted exploitation or development of the naval reserves is nothing as compared to the exploitation of the hard-earned dollars of the people's money to the extent of billions through the guise of war necessities during the brief period of the 18 months of the war.

On March 4, 1921, when the Republican administration took charge, there were 5,000,000 men out of employment, whose

annual wage alone was \$5,000,000,000. Importations from foreign countries were flooding our markets at the expense of our own laboring men. Our indebtedness had reached the staggering total of \$26,581,966,852. The remains of the bacchanalian feast had to be cleared away. Unconscionable grafting contracts had to be canceled. Unnecessary employees had to be cut off the pay roll. Expenses had to be cut down. Revenues to pay the enormous annual interest charges and coming due indebtedness had to be provided for. The Nation had to find itself financially. Under a constructive Republican administration these things were done.

During such period opposition to incurring any additional governmental obligations had substantial, if not justifiable, grounds to support it. While our indebtedness is still large the prompt payment of all our national obligations as fast as they become due is assured. Our Budget has been balanced. During the last four and a half years we have paid off \$4,800,000,000 of national indebtedness at the rate of \$1,000,000,000 per year and our surplus annual revenues exceed \$330,000,000 per year. Such marvelous progress in reconstruction work under Republican administration is unapproached by that of any other nation in the world. It stands without parallel and without precedent. Under such administration our national finances are in such condition that we can safely have not only tax reduction but adjusted compensation as provided in the present bill.

Section 201 of the bill provides:

The amount of the adjusted-service credit shall be computed by allowing the following sums for each day of active service in excess of 60 days in the military or naval forces of the United States, after April 5, 1917, and before July 1, 1919, as shown by the service or other record of the veteran; \$1.25 for each day of oversea service and \$1 for each day of home service; but the amount of credit of a veteran who performed no oversea service shall not exceed \$500, and the amount of credit of a veteran who performed any oversea service shall not exceed \$625.

Subsection C of section 203 provides:

If part of the service is oversea service and part is home service, the home service shall first be used in computing the 60-day period.

All applications for benefits under the provisions of the bill must be filed on or before January 1, 1928.

Section 401 provides payment in cash to each veteran upon proper application any time after the expiration of nine months from the enactment of the law the amount of his adjusted service credit, if, and only if, such credit is not more than \$50. This section applies to the men who served 110 days or less, awarding them \$1 per day and deducting the \$60 paid at the time of discharge, leaving the balance in the amount of \$50 or less to be paid in cash. It is estimated that the cash payments thus required will total \$16,000,000.

Section 501 authorizes the issuance, without cost to the veteran designated therein, of a—

nonparticipating adjusted service certificate of a face value equal to the amount of 20-year endowment insurance that the amount of his adjusted service credit increased by 25 per cent would purchase at his age on his birthday nearest the date of certificate, if applied as a net single premium, calculated in accordance with accepted actuarial principles, and based upon the American Experience Table of Mortality, and interest at 4 per cent per annum compounded annually.

The certificate and all rights conferred thereunder shall take effect—

as of the 1st day of the month in which the application is filed, but in no case before January 1, 1925. The veteran shall name the beneficiary of the certificate, and may from time to time, with the approval of the director, change such beneficiary. The amount of the face value of the certificate shall be payable to the veteran 20 years after the date of the certificate, or, second, upon the death of the veteran prior to the expiration of such 20-year period, to the beneficiary named, except that, if such beneficiary dies before the veteran and no new beneficiary in the first instance has yet been named, the amount of the face value of the certificate shall be paid to the estate of the veteran. If the veteran dies after making application, but before January 1, 1925, then the amount of the face value of the certificate shall be paid in the same manner as if his death had occurred after January 1, 1925.

Section 502 provides—

after the expiration of two years after the date of the certificate it may be used as collateral security for the payment of loan to him. The rate of interest shall not exceed by more than 2 per cent per annum the rate charged at the date of the loan for the discount of commercial paper by the Federal reserve bank in the district in which the loan is made.

The amount of the loan is limited to—

90 per cent of the reserve value of the certificate on the last day of the current certificate year or 60 per cent of the face value of the certificate. The reserve value of a certificate on the last day of any certificate year shall be the full reserve required on such certificate, based on an annual premium for 20 years, calculated in accordance with the American Experience Table of Mortality, and interest at 4 per cent per annum compounded annually.

It is estimated as of January 1, 1924, there were 3,038,283 veterans living who would be entitled to the adjusted certificates or insurance policies, and 389,583 veterans who served from 61 to 110 days entitled to the cash payment. Also there were 183,805 veterans who died prior to January 1, 1924, and whose dependents would be entitled to the adjusted service compensation in 10 annual installments.

Commissioned officers above the grade of captain in the Army or Marine Corps, lieutenants in the Navy, first lieutenant or first lieutenant of engineers in the Coast Guard, with others, are excluded from the provisions of the bill.

Section 505 creates a fund in the Treasury of the United States to be known as "the adjusted service certificate fund," and appropriates for each calendar year, beginning January 1, 1925, and ending with the calendar year 1946, an amount sufficient to meet all the payments required by the certificates issued, the appropriation for the calendar year 1925 not to be in excess of \$100,000,000.

Out of a poll of 10,784 veterans, 66 per cent voted in favor of paid-up insurance. The American Legion in its national convention twice approved a bill with an insurance provision similar to the one in the present pending bill. It embodies the foresight and frugality of a Benjamin Franklin for the benefit of the veteran. While not so attractive now, the enduring wisdom of a paid-up insurance policy will be appreciated more and more each year. The financial resources thus extended to the veteran are exempt from all processes of the law, nonassignable, and payable only to him if living, and if dead direct to his beneficiaries. The bill will not disturb present financial conditions. It will permit of tax reduction, and at the same time meet our obligations.

We believe that such adjustment of our obligations to the soldiers will be acceptable alike to them and the people. The same sinister influences that ravished the national revenues during the war opposes now; the malefactors of great wealth, who shed copious tears for the dear soldier while the war was on and the profiteering was good, are now shedding tears of bitter rage at the very thought of paying their share of the necessary taxes. Sordid selfishness will intervene, and the mad, metallic commercialism of the post-war period will continue to oppose. It dare not plead a denial of services rendered. The unselfish sacrifice and undaunted gallantry of the American soldier upon the battle fields of the World War excite the admiration of the world. It dare not deny benefits received. The safety and security of this Republic, with its constitutional guaranties, stand unshaken and unimpaired. Its opposition must be one of subterfuge, misrepresentation, and delay. Professing a superior degree of appreciation, it pompously declares, "We must not 'commercialize patriotism.'" Having commercialized everything else of human relationship during and since the war, it now poses as a superpatriot in making this exception. Pushed to its logical conclusion, it would pay nothing to the men whose services were indispensable in the preservation of our defense and the maintenance of the national honor.

"If you want tax reduction you must defeat the bonus" is the last resort in the last trench of the opposition. Such appeal is an offer of public benefits resulting from administrative duty as a reward for assistance in defeating adjusted compensation. It is a subtle appeal to the taxpayer to oppose, but it will find no response in the bosom of the American people, whose liberality, public spirit, love of fairness, justice, and patriotism has never yet failed to meet the just and honest obligations of their Government in all its history.

The following is a telegram received by me from Cody Fowler, department commander, and J. William Cordell, department adjutant, of the American Legion of Oklahoma, urging support of the bill:

OKLAHOMA CITY, OKLA., March 17, 1924.

M. C. GARBER, M. C.,  
Washington, D. C.:

Oklahoma department of American Legion stands solidly behind you in your support and vote for the adjusted compensation measure, which will be before you for consideration on Tuesday, the 18th.

AMERICAN LEGION OF OKLAHOMA,  
CODY FOWLER, Department Commander,  
J. WM. CORDELL, Department Adjutant.

I append the following table showing estimated cost:

TABLE NO. 1.—Estimated cost of soldiers' adjusted compensation under proposed legislation.

1. Estimated number entitled to adjusted compensation living Jan. 1, 1919	4,477,412
2. Estimated number in the above group who have died prior to Jan. 1, 1924	183,805
3. Estimated number entitled to adjusted compensation living Jan. 1, 1924	4,293,607
4. Estimated number living Jan. 1, 1924, who served 60 days or less	865,741
5. Estimated number living Jan. 1, 1924, who served from 61 to 110 days	389,533
6. Estimated number living Jan. 1, 1924, who served over 110 days	3,038,283
7. Average age Jan. 1, 1924 (years)	32
8. Average amount of adjusted compensation for those who served over 110 days (maximum service, 560 days)	\$382
9. Adjusted compensation due those who have died prior to Jan. 1, 1924	\$50,318,772
10. Total amount payable in cash to those now living who served 110 days or less	\$14,799,470
11. Total cost of insurance provision by annual appropriations representing the actual premiums	\$2,025,889,696
12. Total cost of insurance provision—equivalent level annual appropriations	\$2,052,670,240

TABLE NO. 2.—Adjusted compensation. [American Experience Table, 4 per cent.]

Endowment 20 years:	
Single premium per \$1,000	\$496.62
Annual premium per \$1,000	37.94
COST OF INSURANCE PROVISION.	
Maximum service (days)	560
Average amount adjusted compensation	\$382
[1.25 times American Experience Table, 4 per cent.]	
Average amount policy	\$962.00
Average annual premium	36.48
Maximum annual appropriation	110,826,564.00
Minimum annual appropriation	90,835,930.00
Approximate total cost	2,025,889,696.00

TABLE NO. 3.—Table showing the cost of insurance provision (20-year endowment policy purchased by 1.25 times adjusted compensation) to those who served over 110 days—American Experience Table 4 per cent.

Year.	Age.	Number living at beginning of year.	Number dying during year.	Annual appropriation.
1924	32	3,038,283	26,151	\$110,826,564
1925	33	3,012,132	26,200	109,882,575
1926	34	2,985,672	26,368	108,924,611
1927	35	2,959,504	26,476	107,962,706
1928	36	2,933,028	26,658	106,990,861
1929	37	2,906,370	26,837	106,024,378
1930	38	2,879,533	27,091	105,045,364
1931	39	2,852,442	27,344	104,057,084
1932	40	2,825,008	27,669	103,059,575
1933	41	2,797,429	27,997	102,050,210
1934	42	2,769,432	28,322	101,028,879
1935	43	2,741,040	28,628	99,993,139
1936	44	2,712,212	29,371	98,941,494
1937	45	2,682,841	29,949	97,870,040
1938	46	2,652,802	30,673	96,777,800
1939	47	2,622,219	31,467	95,658,549
1940	48	2,590,732	32,408	94,510,633
1941	49	2,558,344	33,630	93,328,389
1942	50	2,524,814	34,794	92,105,215
1943	51	2,490,020	36,207	90,835,930
Total				2,025,889,696
Equivalent level annual appropriations for 20 years				102,033,962

TABLE NO. 4.—Illustration of loan values adjusted service certificate.

Endowment 20 years:	
Amount of certificate	\$1,000
Age at issue	years—32

Year.	Value of sinking fund end of year.	Loan value, 90 per cent.
3	\$97.71	\$87.93
4	153.23	137.91
5	170.33	153.30
6	209.57	188.61
7	250.36	225.32
8	293.06	263.75
9	337.76	303.98
10	384.58	346.12
11	433.62	390.25
12	485.01	436.50
13	538.88	484.99
14	595.38	535.84
15	654.66	589.19
16	716.92	645.22
17	782.33	704.09
18	851.14	766.02
19	923.59	831.23
20	1,000.00	900.00

PERMISSION TO EXTEND REMARKS.

Mr. OLIVER of New York. Mr. Speaker, I ask unanimous consent to extend my remarks on the subject of adjusted compensation.

Mr. HASTINGS. I make the same request, Mr. Speaker.

Mr. BEGG. Mr. Speaker, I object.

Mr. OLIVER of New York. Mr. Speaker, such permission was granted to a Republican.

AGRICULTURAL RELIEF.

Mr. KINCHELOE. Mr. Speaker, I ask unanimous consent to proceed for four minutes.

The SPEAKER. The gentleman from Kentucky asks unanimous consent to address the House for four minutes. Is there objection?

There was no objection.

Mr. KINCHELOE. Mr. Speaker and gentlemen of the House, as we all know, there are various agricultural bills pending before the Committee on Agriculture, both of the House and of the Senate, seeking to grant relief to the farmers. As far as I am concerned, I want to vote for some relief for the farmers; but I want to vote for a bill that will do them some good, and I do not want to vote for any legislative nostrum that will fool the farmer and make him think he is getting something when he is not.

There is a bill pending before the Senate, introduced by Senator CURTIS, of Kansas, and one before the House, introduced by Congressman ASWELL, of Louisiana, that embody the principles promulgated by Mr. B. F. Yoakum, who, I understand, has given years of study to the agricultural problems of this country. I want to especially invite the attention of the House to those bills; but the purpose I have in addressing the House now is that Mr. Yoakum addressed the Kentucky division of the Farmers' Union at Lexington, Ky., on March 13, 1924, giving an epitomized statement of this bill, which I think is a splendid address, and which, Mr. Speaker, I ask unanimous consent to extend my remarks by including.

The SPEAKER. The gentleman from Kentucky asks unanimous consent to extend his remarks in the manner indicated. Is there objection?

Mr. KING. Will the gentleman yield?

Mr. KINCHELOE. I yield.

Mr. KING. Is it or is it not a fact that Mr. Yoakum is one of the representatives and the propagandist of the international bankers of New York?

Mr. KINCHELOE. I never saw Mr. Yoakum and do not know a thing on earth about him, except I have read the bill introduced by Senator CURTIS, of Kansas, and by Congressman ASWELL. I am not committing myself to the bill; but it seeks to encourage and perpetuate the cooperative marketing system of this country, and I am one who does believe that the only hope for the future permanent prosperity of the farmer of this country, regardless of the crop he raises, is cooperative marketing. [Applause.]

Mr. KING. I agree with the gentleman. I want a bill that will not fool the farmer, but I want to investigate from whom it comes.

Mr. KINCHELOE. I am not standing as sponsor for Mr. Yoakum. I never saw him, but I have read the bill and think it is a step in the right direction for cooperative marketing. I do not care from what source it comes if it is going to benefit the farmer and not hand him a lemon, as some of the bills now before the Agriculture Committee seek to do.

Mr. TILSON. Will the gentleman yield?

Mr. KINCHELOE. Yes.

Mr. TILSON. Is the article directly on the subject now before the House for legislation?

Mr. KINCHELOE. Yes; it is an exposition of the bill that was introduced.

Mr. TILSON. And the bill now before the House.

Mr. KINCHELOE. Absolutely. Before the Committee on Agriculture—

Mr. HOWARD of Nebraska. Will the gentleman yield? I think I can enlighten the gentleman who asked the question with reference to Mr. Yoakum.

Mr. KINCHELOE. Yes. I do not know Mr. Yoakum and never saw him.

Mr. HOWARD of Nebraska. I will say that Mr. Yoakum belongs to the family of the wealthy Yoakums, but he seems to be impressed with the duty to work out what he has suggested here. It is true, as the gentleman from Illinois says, that he is connected with these vast interests in New York, but sometimes I have found magnificent personalities among them, and I believe Mr. Yoakum is one of them.

The SPEAKER. Is there objection to the request of the gentleman from Kentucky [Mr. KINCHELOE]?

There was no objection.

Mr. KINCHELOE. Mr. Speaker, under the leave to extend my remarks in the RECORD, I include the following:

ADDRESS OF B. F. YOAKUM BEFORE THE KENTUCKY DIVISION OF THE FARMERS' UNION, AT LEXINGTON, KY., MARCH 13, 1924.

Ours is an agricultural country, with 34,000,000 of its population feeding the other 76,000,000.

The world's greatest agricultural country is faced by a situation more menacing to the country's future than can be said of any other economic problem in any part of the world. I do not view the situation darkly, because I know the present disastrous situation is remediable, and in this I am in harmony with the great majority of the farmers of our country.

It is merely a question of devising and applying the proper remedy. To do this we must all earnestly, patiently, and hopefully apply ourselves with vigor, expedition, and determination. We can devise the remedy; Congress must apply it. In our capacity as the sole devisors of that remedy we must first abandon all unsound and impracticable theories. All agricultural societies and organizations should agree upon a sound and constructive program for submission to the lawmakers at Washington. This, then, will give Congress no possible reason or excuse to quibble over the principle involved or the terminology to be employed. In its spiritual as well as material life our Nation has never been so badgered and befuddled as since the unfortunate inheritance of corruption and irregular practices that have developed in the official family of President Coolidge. We are drifting utterly devoid of leadership. Without leadership no stable national progress can be made. We listen with indifference, if not with cynicism, to suggestions of what ought to be done and what can be done. We are losing faith in one another. The result is that there is no cohesion of mass opinion. There is growing a confused psychology of that mass opinion impossible of analysis, definition, or control.

If the farmers will get together, demand a quick remedy of their own condition, and if Congress shall respond promptly to the demand of the farmer's voice, it will have a stabilizing effect upon the entire Nation and restore contentment and prosperity to those engaged in the farming business.

I am not an alarmist. My life work has been constructive and not destructive. My view of America has always been optimistic and not pessimistic; but I would feel remiss if I did not speak with the utmost frankness. I would feel that I was not doing constructive work if I should not point out some of the destructive forces now at work and which must be speedily destroyed or this country of ours will be actually in danger.

Mr. B. C. Moomaw, of Barber, Va., in a recent letter to me, puts this situation correctly and concretely. He says:

"If the business interests compel the farmers to enter as a class into mass movements for the betterment of conditions and the recovery of normal opportunities, they will prove to be obstinate fighters. It would be to the highest interests of all classes to be as jealous for the farmers as they are coming to be for themselves."

This is not an idle prophecy. It is a warning from a thinking citizen.

The affiliations or line-up with which the agricultural vote finally allies itself will determine whether or not in the unsettled condition of the public mind we shall continue as a stable, prosperous Nation or face disastrous results by waiting too long in helping the farmers to receive their just dues from their investment and labor through a national marketing system. There is no subsidy, bonus, or sacrifice asked of the business world, but business interests can afford to be helpful in procuring enabling legislation. I will go further and say that the financial and industrial interests can not afford to remain indifferent to the great needs of agriculture, the supporting industry of every business in the country.

Upon the farm citizenship of the country devolves a responsibility that goes directly to the foundation of the Government. The agricultural population of 34,000,000 people is the only unorganized class of our entire citizenship, the only class not committed to a selfish policy without regard to the effect upon society. I am probably not going too far in saying that the agricultural population constitutes the balance wheel of the Nation's future. As an organized force, which is now rapidly progressing, the farmers will determine the future economic questions on lines equitable to all interests, disregarding its effect upon organized capital or organized labor.

I own farms myself, but I am sorry to say that they represent investments from which I can not make any money.

The spread between the prices paid the farmers and the prices their commodities are sold to consumers presents the most enormous, absurd, and wicked economic condition in the world. For foodstuffs that the farmers receive \$7,500,000,000, the consumers pay \$22,500,000,000. Who gets that \$15,000,000,000?

Why has there grown up and is being maintained in this country a system that doubles the price of our foodstuff when it reaches the consumer, after leaving the producer?

Why should we need such a vast army of food dealers to distribute from the farms to the consumer?

Why do our lawmakers regard it as necessary for the 34,000,000 farm population to feed and support 19,000,000 food-dealer population, which I have disclosed in my long and thorough investigation? How long can this deplorable condition last?

Why should not the farmer get his just proportion of the \$15,000,000,000 now going for profit and distribution?

Why should not the farmer get 65 cents of the consumer's dollar instead of 35 cents, as under our present system? This would mean to the farmer his cost of production, with a fair profit upon his investment and his labor. The altered economic condition would so adjust itself as to reduce the price on all foodstuffs to consumers, thus bringing down the cost of living.

After an intensive effort for the past three years to find out the fundamental reasons that have brought about the present deplorable agricultural situation, I have devised a plan which students of the question have indorsed, both as to spirit and practice. Much has been printed upon this plan, and I have supplied thousands of the little pamphlets outlining the plan from my New York office. This of itself shows that the farming industry is beginning to receive the attention it deserves.

Under the plan, through boards of directors composed of farmers, a national cooperative system of marketing, operating under a Federal charter, would be established, with actual farmers in control of their industry, unhampered by Government interference or partisan politics. The farmers' product would then go almost directly from the field to the consumers' kitchens, cutting out the enormous middle waste now so expensive, both to the farmers and to the consumers.

Farmers are organizing to demand a marketing system under which they will fix the prices they sell their products for, not in a manner to do injustice to others but to do justice to themselves.

For political reasons, Congress seems determined to adjourn at an early date. I fear, unless the farmers of the Nation vigorously push their claim through a law that will enable them to handle their own business and fix remunerative prices for their products, necessary legislation will be postponed until next session, which means longer suffering for the farmers.

The ownership of the six and one-half million farms in the United States have, through bankruptcy and mortgage foreclosures, been reduced until these farms are now owned by less than three million people.

We could learn a helpful lesson by following the footsteps of the farmers of France. They are the political masters of France so far as their business is concerned. Through the political influence of the rural voters, they put governments in and they put governments out. They tell their government authorities to keep hands off of the farming industry. Through their organized power they control the marketing of their own products under a uniform and profitable marketing system. We might learn from the French farmers how to get the farms that are now being cultivated by tenants, into the hands of the people who till them, not only to the benefit of the farmers themselves, but to the benefit of our entire Nation. The farmers of France will not stand for a tax that is so burdensome that they can not live under it.

The tax upon the farmers of this country has continued to grow until it has caused bankruptcy and ruin to tens of thousands of farmers.

The total wealth of the United States (World's Almanac) is \$300,000,000,000. The same authority gives farm values, including property, equipment, machinery, buildings, livestock, etc., at \$78,000,000,000. Therefore, the balance sheet of the farm wealth of this country shows that approximately 25 per cent of the national wealth is composed of farm values.

It has become a habit of our political friends to tell the farmers that the enormous expenditures and obligations that the Government is incurring are taxed against others than the farmers, but the facts are that the farmers pay their pro rata of all, whether it be in the form of a Federal, State, or local tax. It makes no difference whether it cost \$250,000 to make an oil investigation or it costs \$5,000,000 to build a battleship, the farmers in the final analysis pay their share.

It was the farm vote that defeated the ship subsidy gift of \$50,000,000 a year, of which gift they would have paid their proportion. But let us not now enter into a discussion of the political situation. Let us do our level best to keep this stupendous question out of politics, unless the politicians force the issue by further refusing to aid in organizing a broad and comprehensive national marketing system that will enable farm owners and tenants to make their business profitable.

Tenant farmers are suffering for lack of money to support themselves and families, and to clothe and educate their children, caused by their inability to make anything over a bare and poor living. The tenant farmers should be made a part of this great movement for the farmers' declaration of independence.

In almost every respect the Government has failed to do its part for agriculture. The Government keeps a record of what you sell your

products for. It publishes the results of your business and your revenue once a year. It shows the small measly sum you are allowed yearly for your investment and for the work of yourselves and families. On the other side of the ledger there is nothing to show who gets the enormous sum of twenty-two and one-half billion dollars for which your goods are sold to the consumer.

For 50 years dealers and distributors of farm products have continued under established methods to gain the marketing control of farm products. The fact is that the farmers are supporting ten times as many dealers and their families as are necessary under a uniform national marketing system—a load that is breaking the farmers' back.

The farmers do not want new ways provided for them to get deeper into debt; they want a way to get out of debt, to pay their mortgages, and to become independent home-owning citizens.

The farmers know that their money is lost at the producing end, and they know that the profits are made out of their products at the marketing end. But they are not able to change this unfair and inequitable situation, and they can not change the present practice until they can control the prices of their products and eventually become the producers and the distributors.

The constructive policy of the Government should be dominated through a friendly political party that will regard and treat the business that is in the aggregate ten times larger than its nearest rival as the dominant industry of the country.

The inauguration of any big economic change that is calculated to deprive organized beneficiaries of unwarranted profits will have to face the strongest kind of opposition. These attacks will come through organized efforts, through secret propaganda, and probably through bills introduced in Congress, apparently friendly, usually with the intent of breaking down cooperative farm organizations to prevent farmers from reaping the benefits of prices fixed by their cooperative organizations.

It would be a more serious matter, however, to those antagonistic to a national agricultural cooperative marketing system to attempt to defeat an organization of farmers operating under a Federal charter which has the approval and indorsement of the Government than it would be for them as at present to attack and break down marketing associations composed of individual farmers operating as individuals under an unchartered association.

The agricultural population is against paternalism, a condition to be regarded as extremely dangerous and destructive by all thoughtful and loyal Americans. Yet there are those who would make the farmers wards of the Nation by placing them and their business under the paternal wing of the Government.

There has recently been introduced in Congress a bill which, amongst other things, provides in section 4 thereof the following:

"That within 30 days after the passage of this act the Secretary of Agriculture shall effect the organization of the association provided for herein. This association shall be incorporated when at least 1,000 persons eligible to membership shall have signed and acknowledged the articles of incorporation, which shall be prepared under the direction of the Attorney General in compliance with this act. These articles shall state that the incorporators seek to organize the association provided for in this act, and that they accept all of the provisions of this act in advance on behalf of the association so organized."

This bill is in the nature of a stock subscription association under which the Secretary of Agriculture would be placed in charge of its organization, which means its management by that department of the Government. Under the conditions of this bill the Government is willing to loan the farmers \$10,000,000 at 4½ per cent interest. This is a bid to the farmers to place their industry under the control of the Government for the consideration of a paltry loan of \$10,000,000.

There are two things I want to emphasize. One is that the business of any national marketing system should be under the exclusive control and management of the farmers who produce and own their productions without Government or outside interference.

The other is that all of the present organized and affiliated cooperative associations will be a great strengthening asset to the National Farmers' Marketing Association, without in any manner disturbing their present status or their future work.

Let me briefly tell you how the Interstate Agricultural Cooperative Association will operate.

First. Its headquarters will be at Washington, D. C., under a national board of directors composed of nine members, with authority to increase. The national board of directors will serve without pay. They will employ an active manager who will give his entire time to the business of the association.

Second. The national board will be authorized to organize State boards of directors, composed of seven, which number may be increased. The State boards to be composed of farmers and those with knowledge of farm cooperative work.

Third. The respective State boards will authorize county and community cooperative associations, which cooperatives will be under the general supervision of the respective State boards.

Fourth. The directors of the State boards, with the approval of the national board, will divide the territory of the United States into zones, taking into consideration the relations to the central markets, transportation for shortness of haul, and facilities for distribution.

Fifth. In each zone the State boards will establish zone headquarters with zone managers and with an efficient operating force necessary for economic operation.

Sixth. The zone managers will cooperate amongst themselves in every way necessary for the best results.

Seventh. The directors of the State boards will, with the approval of the national board, establish executive headquarters at some point near or tributary to the Mississippi Valley territory, with branch headquarters if deemed necessary.

Eighth. The executive board to consist of three members, whose entire time shall be devoted to the business of the association.

Ninth. The State boards will establish reasonable prices for the standard farm products which the executive committee will enforce.

Tenth. When it is to the best interests of the association, zone boundaries may be disregarded by the executive committee in determining the distribution of products, the protection of prices, the shortest line transportation, and the supply and demand of food products.

The association will not undertake in the beginning, or until it is fully functioning, to include all products.

The State boards of directors will determine and inaugurate the work with one or more standard products.

To more concretely illustrate, expressed in dollars, I will use the white potato and wheat.

Assume there will be an acreage planted to produce 300,000,000 bushels of potatoes and 700,000,000 bushels of wheat.

An assessment of 1 cent a bushel on potatoes would mean \$3,000,000.

An assessment of one-fourth of a cent a bushel on 700,000,000 bushels of wheat would mean \$1,750,000, and so on through the list of all farm commodities.

For instance: One-half cent of each dollar on a yearly crop, farm value, of seven and one-half billion dollars would produce thirty-seven and one-half million dollars a year to apply on operating expenses and the building up of a surplus fund for handling domestic and foreign trade.

I have gone into every angle and every phase of this problem trying not to fool myself and I am prepared to say that it can be carried out, giving to the farmers an additional seven and one-half billion dollars a year based on present production.

It is unfortunate for the farmers and the country that our Congressmen and leaders of public opinion do not give sufficient time to study and better understand this big problem and to realize what it means to every farmer, every community, and every business.

In conclusion, permit me to remind you that when the present investigation of the naval oil reserves disclosed the fact that the Government had been defrauded out of \$200,000,000 worth of oil, the country was horrified. When our Congressmen realize that the farmers are being cheated every year out of seven and one-half billion dollars, an amount equal to \$200,000,000 a year for 37½ years, they will undoubtedly extend to them a helping hand, especially as it involves no risk or tax upon the public.

LEAVE TO ADDRESS THE HOUSE.

Mr. CRAMTON. Mr. Speaker, I ask unanimous consent that I be allowed to speak for 20 minutes following the reading of the Journal on Thursday, April 10.

The SPEAKER. The gentleman from Michigan asks unanimous consent that he be allowed to address the House for 20 minutes on Thursday, April 10, immediately after the reading of the Journal. Is there objection?

Mr. RANKIN. On what subject?

Mr. CRAMTON. With reference to an event of that day and the part of woman in our national life. I am advised that at that time the appropriation bills will be pretty well out of the way.

Mr. RANKIN. What is the significance of that day?

Mr. CRAMTON. The particular subject of my address will be the part of woman in our national life.

Mr. BLANTON. Reserving the right to object, and I shall not object, does the gentleman expect to bring up the statues of the three splendid women out of the dusty basement where they now are?

Mr. CRAMTON. I have no objection to the gentleman from Texas doing that.

Mr. BLANTON. The gentleman ought to do that first. I heard the address of the Speaker when we received the statues, and they ought to be brought up out of the basement.

Mr. RANKIN. There is no objection to the gentleman from Texas bringing it up. [Laughter.]

The SPEAKER. Is there objection to the request of the gentleman from Michigan?

There was no objection.

GERMAN BELIEF.

Mr. SNYDER. Mr. Speaker, I ask unanimous consent to extend my remarks in the Record on the German relief.

The SPEAKER. Is there objection to the request of the gentleman from New York?

There was no objection.

Mr. SNYDER. Mr. Speaker and gentlemen of the House, no one can say that I am not in sympathy with the efforts to relieve distress in Germany or that I am prejudiced against the German people or German nation. This matter could and should be cared for by private charity. I have ever been in favor of granting relief when conditions warranted, yet in this case I find myself unable to indorse this measure.

This resolution authorizes the expenditure of \$10,000,000 for the relief of women and children in Germany, which must be taken from the taxpayers of this country, when we now have 43,000 veterans of the World War suffering with diseases and who are without the relief and support to which they are entitled. These men are suffering from tuberculosis and neuropsychiatric diseases and are unable to maintain themselves or their dependents, and relief must be extended to them. This Congress will be asked, and it must pass, remedial legislation for the disabled of the late war. To that end a measure will be presented within a very short time which, when enacted, will call for between \$100,000,000 and \$200,000,000 per annum more than the present cost of the relief for veterans. This will mean an additional burden upon the taxpayer, which will be cheerfully borne; but until our men, the men who fought in the late war, are cared for I am opposed to taking \$10,000,000 from the pockets of the taxpayers of this country and turning it over to a foreign power.

WOODROW WILSON.

Mr. SEARS of Florida. Mr. Speaker, I renew my request that I made last night to insert in the Record an editorial upon Woodrow Wilson, written by Mr. Edward B. Lambright, of Tampa, Fla., and a sonnet on Woodrow Wilson, written by Herbert Felkel, of St. Augustine, Fla.

The SPEAKER. Is there objection to the request of the gentleman from Florida?

There was no objection.

Mr. SEARS of Florida. Mr. Speaker, under leave granted to extend my remarks I insert an editorial written by Edwin D. Lambright, of the Tampa Tribune, and "A Sonnet on Woodrow Wilson," by Herbert Felkel. I make the request because the articles are written by two of the best writers in the country.

[From Sunshine, published at St. Augustine, Fla., March, 1924.]

WOODROW WILSON.

[By Edwin D. Lambright.]

The long illness ends. The weary patriot falls. The stricken statesman succumbs. Woodrow Wilson is dead! Above his bier, the world speaks its hasty judgment, as it spoke it while he yet lived, but history, which awaits the slow decisions of the years, stands silently aloof. The verdict of history will be rendered when the current storms are silenced, the immediate tempests calmed—in the clear, calm atmosphere of the impartial future.

Not one of our Presidents has borne such a burden as did this man, whose physical strength broke under the strain—not even Lincoln, for Lincoln's responsibility was national, while Wilson's was worldwide, and Lincoln, at least, was not maligned by those for whom he served. Not one of our Presidents was so misjudged, so subjected to the cruel barbs of enmity, jealousy, and hate.

After the war had been fought and won, when he was fighting another battle—this time to guarantee and preserve the things for which we fought, while the poisoned arrows of politics were quivering in his flesh—he was stricken with an illness from which he never recovered. It was the result of his exacting labors, the weight of the burden he bore, increased by the misrepresentations of those who, for partisan or personal reasons, refused to understand. Months of patient suffering, when he sat in his quiet home, forced to be merely a silent spectator of the world drama in which he had played the leading rôle; and then—the end.

No man now living may give a fair or unbiased estimate of Woodrow Wilson. We are too closely connected with the action which he dominated, the events in which he was the foremost figure.

But this much is assured. He will be for all time a figure in world history. Whatever may be the final verdict upon his career and upon his deeds, they will have an epochal significance in the chronicles of the ages. And, whether posterity praise or blame him, whether it pronounces him right or wrong, it must say that he was sincere.

"Snatch a man from the studios quiet of a university; place him in the highest place on earth; suddenly thrust him, in the responsibility and gravity of this high place, into a war involving the greatest nations of the world. Nine out of ten men thus treated would succumb early in the struggle. Woodrow Wilson "saw it through." He did not weaken or falter while the battle was on, while the crisis impended. It was not while facing the world as the embodiment of his country, leading the forces of freedom, of humanity, of justice, of democracy, to a glorious victory, that he faltered and fell. It was not until he was fired upon, relentlessly pursued and assailed by his own people, that the mighty arm was palsied, the weary head drooped. And even then the dauntless spirit was unconquered.

Volumes have been written on Woodrow Wilson in his life; many more will be written now that he is dead. As this is being written thousands of other editorials are forming into words, and throughout the world men and women are discussing the lessons of the life that has just ended. Those who maligned him when he was among us doubtless will continue to do so now that he "belongs to the ages"; while those who regarded him as one of our noblest and ablest citizens will bring fresh flowers for his tomb.

But none will dispute this one estimate, this just appraisal, one for which we do not have to await the verdict of history, one which not even partisan rancor will refuse or personal defamation dispute—he was a great American.

A SONNET ON WOODROW WILSON.

(By Herbert Felkel.)

His might of pen sent hope around the sphere,  
His classic slogans prince and peasant heard  
As kingdoms hung upon his every word;  
A will of iron and tongue quick, strong, and clear,  
Unknown to him the sense of moral fear,  
Listening more to conscience than to men,  
While with himself he struggled for the right,  
Pausing well before he sent young men to die;  
But once in war, he called with all his might,  
"Make safe the world"—a battle cry.  
Autocracies were withered by his pen!  
Peace on earth? Not yet. But strife for him is o'er—  
The crippled soldier's heart will ache no more,  
As nations' tears make wet a martyr's bier.

INCREASE OF THE SALARIES OF THE MAIL CLERKS AND CARRIERS.

Mr. LILLY. Mr. Speaker, I ask unanimous consent to extend remarks in the Record on the increase of salary of the mail clerks and carriers.

The SPEAKER. The gentleman from West Virginia asks unanimous consent to extend his remarks in the Record on the increase of the salary of the mail clerks and carriers. Is there objection?

There was no objection.

Mr. LILLY. Mr. Speaker and gentlemen of the House, I want to discuss briefly the proposal to increase the salaries of the mail clerks and carriers.

In the first place, these employees are skilled workers, skilled to a very high degree of efficiency due to the requirements of their everyday work. Their duties are hard and exacting. Men of exceptional mental and physical qualifications are required. In order to obtain a position as letter carrier or clerk a man must take a competitive civil-service examination and pass a physical examination which closely parallels that required for enlistment in the Army or Navy.

He is first appointed a substitute, for which he is paid at the rate of 60 cents per hour only for the time he is actually employed, which may range from only one hour per day to eight hours per day, if he works at all. After serving on an average of three years as substitute, learning the business, he may finally be appointed as junior letter carrier and assigned to a regular route. He has to report on schedule time, as early as 6 o'clock a. m., and route his mail for delivery or collect the mail from street letter boxes, and after attending to the many duties of his position starts to make his deliveries, and if he fails to be on time the patrons on his route complain of the delay, whether the mail be heavy or light or the weather be fair or foul. He must be an encyclopedia of postal information; his patrons depend upon him, as he is the only member of the postal organization many of them ever see.

His work is constantly supervised, and he is required to perform a stated amount of work per minute in order to meet the requirements of the efficiency standard.

The same requirements of efficiency and attention to details are made of the clerks, both men and women, who must be out at all hours of the day and night to open, sort, distribute, and handle the mails and keep up the records, and the salaries run about the same as the salaries of carriers.

I wish to make a comparison of the salary received by the mail clerk and carrier with that received by some of the trades not requiring such educational or physical standard. The hourly scale for knit-goods workers is \$1.25; the printing trades average \$59 per week; bakers' trades average \$47 per week; metal trades, boiler makers, and machinists average from \$49 to \$55 per week; clothing trades average \$50 per week; foundries and machine shops average about 69 cents per hour. You can readily see that the laboring men, who have regular hours and not nearly the responsibility, receive a higher wage than mail clerks and carriers.

Considering the preparation it is necessary for them to make, the heavy responsibility of their work, and their long hours of duty, we should not hesitate one moment to grant them a commensurate increase in salary. The Post Office is the largest and most efficiently handled of any department in the Government; the employees are high class, honest, and industrious. This Government should never allow these employees to work at less wages than outside employees of other trades. On account of the increasing cost of living they now hardly receive a living wage.

I think the old saying, "Just because the horse is good he needn't be worked to death," applies to the case of the mail clerks and carriers. As it does not seem expedient at this time to reduce the responsibility or hours of work, in the name of humanity let us give them an adequate raise in salary commensurate with the service and responsibility.

#### CHANGE OF REFERENCE.

The SPEAKER. There are two bills which it is agreed by the chairmen of the two committees interested should be referred: One is H. R. 4104, to amend an act entitled "An act to prevent the extermination of fur-bearing animals in Alaska," and so forth, and the other is the bill H. R. 754, to authorize the Treasurer of the United States to turn in to the treasury of the Territory of Alaska all moneys received from the sale of fur-seal and other furs as are the property of the United States of America from the Pribilof Islands. Without objection, the reference of these bills will be changed from the Committee on Ways and Means to the Committee on the Merchant Marine and Fisheries.

There was no objection.

#### PERMISSION TO ADDRESS THE HOUSE.

Mr. SEARS of Florida. Mr. Speaker, I ask unanimous consent to address the House for one minute.

The SPEAKER. The gentleman from Florida asks unanimous consent to address the House for one minute. Is there objection?

There was no objection.

Mr. SEARS of Florida. Mr. Speaker, last night, as the Speaker recalls, I demanded the reading of the engrossed bill. While it places me in an awkward position, I think in fairness to some of my colleagues who understood I was going to demand the reading of the engrossed bill I ought to make a statement. I stated to the gentleman from Kentucky [Mr. THOMAS], who has not been in good health, that I would demand the reading of the engrossed bill, and after the debate had closed, relying on my statement, he left the House. There was no further debate at that time, as the Speaker recalls. It places me in a very embarrassing position, but I am willing to take the odium and feel it due to the gentleman from Kentucky that I make this statement in order that he may be placed in a proper light. I withdrew my demand only because I was so earnestly solicited to do so by so many of my colleagues.

#### WAR DEPARTMENT APPROPRIATION BILL.

Mr. ANTHONY. Mr. Speaker, I move that the House resolve itself into the Committee of the Whole House on the state of the Union for the further consideration of the bill (H. R. 7877) making appropriations for the military and nonmilitary activities of the War Department for the fiscal year ending June 30, 1925, and for other purposes.

The motion was agreed to.

Accordingly the House resolved itself into the Committee of the Whole House on the state of the Union for the further consideration of the War Department appropriation bill, with Mr. TILSON in the chair.

The Clerk reported the title of the bill.

The CHAIRMAN. When the committee rose on Saturday last, general debate had not concluded.

Mr. ANTHONY. Mr. Chairman, I ask the gentleman from Kentucky to consume some of his time.

The CHAIRMAN. The Chair is informed that general debate was limited in the House to one hour and a half.

Mr. JOHNSON of Kentucky. I suggest that the gentleman from Texas [Mr. WURZBACH] had not concluded his speech. He stopped in the middle of it.

Mr. ANTHONY. I understand there is an hour and a half remaining and that the gentleman from Kentucky may use an hour on his side, if he desires. There is but one speech remaining on this side.

Mr. JOHNSON of Kentucky. Is it insisted that I use my time now?

Mr. ANTHONY. I think it is desirable.

Mr. HARRISON rose.

The CHAIRMAN. How much time has been allotted to the gentleman from Virginia?

Mr. HARRISON. Mr. Chairman, it was the understanding that I was to have an hour's time, but I do not think that I shall use more than half of that time.

Mr. JOHNSON of Kentucky. Mr. Chairman, in order that there may be no misunderstanding, I ask the gentleman from Kansas if I am correct in my view of the matter that I have an hour and that the gentleman from Virginia has an hour.

Mr. ANTHONY. The understanding is that general debate will close in an hour and a half. I also understood that the gentleman from Kentucky was anxious to use the time that he would otherwise have used in general debate when we reach certain items in the bill, to which I shall be perfectly agreeable.

Mr. JOHNSON of Kentucky. My understanding of the agreement made in the House is that it provided for that.

Mr. ANTHONY. I think that was the case.

Mr. HARRISON. Mr. Chairman, I can not begin my discussion of this bill without making my acknowledgment to the gentleman from Kansas [Mr. ANTHONY], the chairman of the subcommittee. His long experience both as a member of the Committee on Military Affairs and as a member of this subcommittee of the Committee on Appropriations, his familiarity with every detail of this work, his ability, his indefatigable energy, have made the task of his associates on this committee very easy. I think it due to the conscientiousness with which he has discharged his duty that I make this acknowledgment. [Applause.]

#### THE COST OF MILITARISM.

The first thing that strikes our attention in the consideration of this bill is the grand total sum appropriated. Three hundred and twenty-six million dollars is carried in this bill, a sum which in a day not very long ago would have paid all the expenses of the Government. In addition to this, a somewhat similar sum has been appropriated for the maintenance of the Navy; so that the grand total for the maintenance of the military establishments of this country exceeds \$600,000,000. The total sum appropriated in the Agricultural appropriation bill is \$56,000,000, and agriculture is the basic industry upon which all national prosperity is founded. Oh, if this \$600,000,000 could be diverted from the maintenance of these great military establishments which take our young men away from useful vocations and train them to the bloodshed of their fellow human beings, if this enormous appropriation could be directed into some useful channels such as the construction of our public highways, to making fruitful our waste places, to developing our national resources, it would mean a blessing to millions of American citizens now living and to millions of American citizens not yet born.

Mr. HILL of Maryland. Mr. Chairman, will the gentleman yield for a question?

Mr. HARRISON. Yes.

Mr. HILL of Maryland. I ask the gentleman if he agrees with that portion of the farewell remarks of his very distinguished fellow statesman, General Washington, upon the subject of a proper national defense?

Mr. HARRISON. I will come to that, and I am going to show who is responsible for the fact that these enormous appropriations are now demanded. All during the war, when sacrifices were being called for, we were told that this country was fighting to end war. This was to be what America would secure as the price of peace. Nothing else had she to gain out of her vast expenditure of blood and treasure. She desired no territory, she demanded no gold, but she did demand an abiding and enduring peace amongst all the nations of the earth. Against her protest and her utmost endeavor to keep the peace into all the world wars she had been forced, and she demanded security against a recurrence of such a thing in the future. For this she sent her young sons to battle and threw into the scale her national resources. When the war did end, the voice of America predominated in the council of the nations and a great American statesman embodied in the terms of peace the most promising hope of a perpetual surcease of

strife that was ever held out to a war-torn world. Envy, hatred, and party malice thwarted his endeavors and disappointed the longings of the Christian peoples of every nation and race. Woodrow Wilson, after a noble fight, died a hero on the firing line. [Applause.] Now, five years after the termination of this war, we find the same old conditions prevailing, which this country fought to destroy. We find nations arming for future wars, rivaling each other in expenditures for the perfection of the deadliest weapon and all the outfit of war. Groveling in the dust with the burdens that the war has imposed, the nations are piling up still further burdens to meet the threatened devastation and destruction of the war of to-morrow. In this peace-loving country and in this civilized age these appropriations tell the fearful price we are paying for the failure to secure the fruits of the triumph of our arms. The dawn of the better day may not be near, but the seed of the idealism which Woodrow Wilson broadcasted will yet bear its fruit. With each succeeding generation, struggling onward and upward, with the memory of the hero enshrined in their hearts, humanity will attain in time the goal of a war-free world. [Applause.]

#### THE NECESSITY OF PREPAREDNESS.

I have said, Mr. Chairman, that if these appropriations could be diverted into channels of peace it would be a blessing to the American people, but as long as the old pre-war conditions exist it is as essential to-day to be prepared for emergencies as it has ever been in the past, and I can not say that, vast as this appropriation is, it is out of proportion to the exigencies that have been imposed on this country by a failure to effectuate a proper peace. I think the appropriations in some respects should have been increased, especially along the line of training our citizen soldiers. I have always believed that the Regular Army should be only the framework on which in war we could build our Army of defense out of the trained citizens of civil life. The National Guard is the principal organization of our citizen soldiery and should be liberally encouraged, trained, and equipped.

I must not forget the Officers' Reserve Corps, consisting of those who were trained on the battle field or in the camp. It contains splendid material for service.

The money that is appropriated in this bill for the training of our emergency officers in my opinion is not adequate. Only enough is appropriated as would give 15 days' training to an emergency officer once in five years. It seems to me that such a proposition is ridiculous. If we are going to train properly the emergency officers and the citizen soldiery of this country, sufficient appropriations ought to be made to effectuate that purpose.

Mr. HILL of Maryland. Will the gentleman yield?

Mr. HARRISON. I will.

Mr. HILL of Maryland. I am glad to see that the gentleman does agree with the farewell remarks of his distinguished fellow statesman, General Washington.

Mr. HARRISON. I certainly ought to agree with General Washington, as in colonial days he represented Winchester in the house of burgesses and my unborn spirit, and I represent the shade of Thomas Jefferson, another father of the Republic [applause], and I am speaking what they thought. As I was going to say, I believe that the bulwark of our armed defense should rest with the citizen soldier. This bill, with all its cost, does not increase materially the size of our Regular Army. The great cost of these appropriations for military matters is the equipment in the varied services which is now rendered necessary for modern warfare, and therefore this \$326,000,000 is not more than is sufficient, in my judgment, to meet the necessary demand of the Army service under modern conditions. I hope this country will never be found in the same condition it was at the time of the commencement of the last war. [Applause.] We were totally unprepared to meet the emergency that then existed. Having failed, for the reasons pointed out, to secure the fruits of victory, we must profit by past experience and prepare.

Mr. LaGUARDIA. Will the gentleman yield?

Mr. HARRISON. I will.

Mr. LaGUARDIA. The gentleman, as a member of the committee, knows that the manhood of the fighting part of the war did very well. Where it broke down it was on account of the vicious contractors, did it not?

Mr. HARRISON. I do not consider that it did break down. No tribute is too eloquent to fully portray the magnificent discharge of duty that our soldiers rendered both in the camps and field—

Mr. LaGUARDIA. And within a very comparatively short time?

Mr. HARRISON. In the short time they were in training; I was just coming to that. I think we owe an everlasting obligation to the ex-service men who so faithfully discharged their duties. Nearly every State in the Union has her conspicuous hero, and Virginia has hers; and I now put in the Record a clipping from the News-Leader, of Richmond, in regard to Corpl. Joseph E. Allen, a Virginian, who received the distinguished service medal and received from France the *croix de guerre*:

[From the News-Leader, November 11, 1919.]

CORPL. JOSEPH E. ALLEN, WHO CAPTURED 56 GERMANS, PRESENTS CITY MEMORIAL FLAG—HIGHLAND PARK MAN, MEMBER OF RICHMOND GRAYS, WEARS DISTINGUISHED SERVICE CROSS AND CROIX DE GUERRE FOR DEEDS OF VALOR ON BATTLE FIELDS OF FRANCE—CEREMONIES AT 4 O'CLOCK THIS AFTERNOON IN STATE CAPITOL BUILDING, IN HALL OF HOUSE OF DELEGATES.

Because his record was, in the opinion of his comrades, the most glorious made by a Virginian in the war, rivaling that of Al York, the fighting mountaineer from Tennessee, Joseph E. Allen, of 920 Third avenue, Highland Park, was selected to make the presentation of Richmond's memorial flag to the State of Virginia in the Hall of the House of the Capitol at 4 o'clock this afternoon. Allen, a corporal with the Richmond Grays, was wounded and sent home last March, but before he was put out of the fight he, with four men, had captured eight machine guns and their crews of 56 men, and to-day wears the distinguished-service cross and the *croix de guerre*.

He returned to Richmond Sunday from Newport News, where he has been employed for several months, to participate in Armistice Day exercises. While of a retiring nature, he consented to make the presentation, after the armistice committee had told him that there was no one with a finer record that could be obtained for the purpose, and that it was his duty to act on this occasion.

Young Allen, who was a corporal in Company B, One hundred and sixteenth Infantry (Richmond Grays Battalion), was born in Richmond on March 9, 1896, and is the son of William R. Allen, of Highland Park. He volunteered with the Grays and left Richmond on September 24, 1917, going to Camp McClellan for training. From there he went overseas in May, 1918, with the Twenty-ninth Division, and participated in the occupation of defensive sector "Haunt" Alsace, and in the Meuse-Argonne offensive.

#### COMRADES SAY NINETY-SEVEN.

In official records Corporal Allen is credited with having captured 56 men. Comrades who saw the Germans being brought in declared that there were at least 97 men in the contingent, but some of them became scattered, it is believed, before the official count was made. In addition, there were 40 or more of the enemy killed in the engagement, in which eight machine-gun nests were raided and silenced.

Marshal Petain of France decorated him with the *croix de guerre*. In the citation he said that "With the approbation of the Commander in Chief of the American Expeditionary Forces in France, the marshal of France, commander in chief of the armies of the east, cites in the orders of the Army corps Allen, Joseph E., corporal, Company B, One hundred and sixteenth Infantry Regiment, because, with the assistance of four soldiers, he attacked and captured eight machine guns and their gunners."

Corporal Allen said today that he was in charge of three other men, Privates Maxey and Mayers, of Richmond, and Teckel, of Michigan, and they were working in the battle of Haumont Woods. When asked to describe the action, he offered the report of Maj. William A. Stack, battalion commander, as the best description of the work.

Major Stack reported that—

"About noon on October 8 our assaulting wave was being held up by galling machine-gun fire from 'fox holes' and 'pill boxes' held by German machine-gun crews who could not be seen. Waiting and watching for a little smoke, which sometimes could be seen on a cloudy day such as this was, Corporal Allen selected four privates from Company B to aid him and went to destroy this resistance.

#### HUN FELL AT EVERY SHOT.

"Arriving closer to the Huns, Corporal Allen found a great deal more than he expected to find, but by so placing his men and with the aid of that ever-present determination of the American soldier to do or die, he surprised and brought in 8 machine guns and their crews, consisting of 56 prisoners. The success of this great work is almost wholly attributable to good marksmanship, for every shot fired by any of this group of men brought down a Hun. No shots were fired unless a good target presented itself."

Some few days after his raid of the German machine-gun nests, on October 25, Corporal Allen was wounded in the Battle of Grand Montagne and was sent to a hospital. In March he was sent back to this country ahead of his unit, and on April 14 he was discharged from the

Army at Camp Lee. Since then he has spent some time in Richmond, but went to Newport News during the summer for employment in the shipbuilding plant.

[Applause.]

When a demand came for extraordinary gallantry he met it with the spirit which animated the American Army. As I have pointed out, our legislation should show our gratitude to the ex-service men, but it seems impossible to secure any consideration of measures by the Republican Party, in control, devoid of politics.

#### THE ADJUSTED COMPENSATION BILL.

Every two years the bonus or adjusted compensation bill for the ex-service men is trotted out for its effect on the election. After the elections we hear nothing more about it until the next election requires its resurrection. No question about it, there is a division of sentiment in the country on the propriety of this measure. The big-business interests, who contribute to the Republican campaign funds, are against it, and the ex-service men are for it, and they contribute the votes. The Republican management handles this situation profitably. The Republican President vetoes the bill and gets the contributions, and the Republican Congress votes for the bill to get the votes. The ex-service men get nothing, but are stalled off with promises.

The ex-service men so long denied the benefits of this bill should conform to the requirements of the election law to entitle them to vote, pay their capitation taxes, and register, if required, and visit their wrath upon a party who only under the Democratic lash is forced into even any pretense of action, and betrays them to the extent it is thought feasible.

There is, no doubt, opposition to this bill based on conscientious conviction. To persons who honestly differ, each is entitled to the respect of each other. There has been waged, however, against this bill a mass of false propaganda, which is well calculated to mislead well-intentioned people.

First. A great deal of falsehood is disseminated in regard to the cost. I believe with Mr. T. W. Miller, a distinguished Republican in the public service, that the figures of the Treasury Department are juggled to suit Mr. Mellon's purposes. Anyone with a pencil and pad can figure out that the cost is grossly exaggerated. The basic theory of the adjusted compensation is that each man is to receive \$1 a day for service in this country and \$1.25 a day for oversea service, but in no event to exceed 500 days. In round numbers, 4,000,000 men were in the service—2,000,000 served in this country, 2,000,000 overseas. If every man in the service served the entire period, the total cost could not exceed \$2,250,000,000. But, as we know, very few served such a length of time, and according to fair estimates the average length of service would not exceed 200 days, and the total cost would not be \$1,000,000,000. Just here it is necessary to do a little more juggling with figures. The payment of this money is spread over 20 years with interest, and the accumulated interest is added to the cost, which is wholly unfair in the estimate of the cost. Interest is the price of the use of the money and not a part of the cost. If one buys a horse for \$100 and gives his note payable 50 years after date with interest, at the end of the period he would have to pay \$400, but surely this is not the cost of the horse. It is just such juggling as creates the cost in this case.

This matter, however, ought not to be considered in a commercial sense. If, in good faith and conscience, the ex-service man is entitled to this adjustment, he should be paid the same regardless of cost. If commercial considerations are decisive, then the district I represent is bound to be largely a beneficiary. The tax cost is necessarily negligible, and the distribution of the adjustment a large asset. Ever since the Civil War the pensions to Civil War veterans have been a large outgo from the district with very little or a negligible return. In this the outgo will be negligible, but the money distributed throughout the district will be considerable and it will be largely a reversal of the Civil War pension status.

Second. The equity of the claim is, in my judgment, indisputable. The pay of the soldiers was arbitrarily fixed, and he was arbitrarily brought into the service if he did not volunteer. His business was disrupted and the service he was called on to render was beyond compensation. Out of the \$30 paid him, he must often make family allowances and pay insurance. He was morally coerced to pay money to the Liberty bond vendor and the Red Cross and other charitable collectors. Those who did not go into the service received such pay as was never dreamed possible. Wages advanced phenomenally. After the war there were more multimillionaires and billionaires than millionaires before the war.

The war, by the efficiency of our Army, terminated one year in advance of expectation. In the last appropriation bill ap-

proved by the Military Affairs Committee was carried in round numbers \$13,000,000,000. By the early termination of the war, at least six billions were saved to the taxpayers. Then all sorts of contractors and dealers with the Government flocked to Washington to secure equitable adjustment on their contracts and claims. Those who in prospect of contracting with the Government had made ruinous expenditures applied for equitable consideration. The mine owner, the factory, the supply man, and all others received a fair adjustment. All received respectful consideration except the ex-service man. The cold shoulder was his portion and oratory on his duty as a patriot was the answer to his demands, until the Republican Party saw fit to play politics.

Third. There can be no real question that the precedents favor such an adjustment. There has not been a war in this country in which the principle has not been recognized. The Revolutionary War, the Mexican War, and the Civil War furnish precedents, not only in acts of Congress but in the acceptance of bounties by the most distinguished men in national history. George Washington received a bounty from Virginia. Lafayette received \$200,000 and a land grant. Abraham Lincoln received bounty in the Black Hawk War. Gen. Robert E. Lee applied for and received bounty lands for services in the war with Mexico. A long list of patriots were recipients of like bounties. Other countries in this war have given bounties to their soldiers. Many States of the Union have given bounties to those who served from their States.

Precedents are written on every page of our national history. I have not a word in criticism for the young soldier who dislikes the principle of the bill. Were I a young ex-service man I might be inclined to prefer to be held in esteem for the sacrifices I made in answer to the call of my country than receive any compensation under any plan of readjustment of the compensation. But this is a matter for the ex-service man to determine for himself. Neither on principle nor precedent can he be denied consideration if he chooses to demand an equitable adjustment.

#### VETERANS' BUREAU.

The Veterans' Bureau is the vehicle by means of which the country has undertaken to take care of the disabled men. Congress has never sought to escape the responsibility and the duty which the country owed to those who were disabled in the line of duty. Millions and millions of dollars have been appropriated, so that there might be no means neglected of furnishing relief to these men. It is a most discouraging reflection that waste and extravagance and dishonesty should have at any time entered into the distribution of these moneys. The recent scandals and the indictment of a former director are distressful occurrences in our national life. These matters are now being investigated in the criminal courts, and punishment should be meted out to guilty parties.

I can not say, however, that the new management is giving satisfaction. There seems to be a determined purpose to show a reduction in appropriations without regard to the suffering inflicted upon disabled men. I have had my attention called since the new régime to many instances of unjust consideration of the compensation due to applicants to relief under this law. This is not a bureau in which economy should be practiced upon those who are entitled to relief. The people of this country have spoken in no uncertain way that every consideration should be given to men suffering from disabilities incurred in the line of duty. There is no division of sentiment in this country on this point, and yet every day instances are brought to my attention in which remuneration to the disabled men has been ruthlessly reduced without adequate justification therefor. I could put into the Record instances which have come under my observation. This, however, it seems to me, is more properly to be considered when the appropriation is brought before the House for this specific purpose.

#### THE BURSOM BILL.

A bill passed the Senate at the last session of Congress without a dissenting voice and was sent over to the House and referred to the Military Affairs Committee, which simply pigeonholed it. This is known as the Bursom bill, that gave to the emergency officer disabled in the line of duty the same relief which is given to an officer in the Regular Army, disabled under like conditions. It seems to me, as a matter of principle, that where one is serving his country on the battle field or in the camp as an officer, the country should be estopped from denying him the status of an officer of the Army. If he is an officer to fight the battles and incur the suffering and disability, he should be an officer to receive such benefits as those to which an officer of the Regular Army is entitled. [Applause.] In the selective draft law, section 10, under the provisions of which

this emergency officer entered the service, it was thought that such a question had been put beyond dispute. Section 10 reads as follows:

That all officers and enlisted men of the forces herein provided for other than the Regular Army shall be in all respects on the same footing as to pay allowances, and pensions as officers and enlisted men of corresponding grades and length of service in the Regular Army.

And not only this, but another provision of the statute law expressly declares that all distinction shall be obliterated between the emergency army and the Regular Army and the National Guard, and that all should be designated by the single term of the National Army. In spite of this legislative declaration, the War Department has ruled that an emergency officer injured in the line of duty was not entitled to be retired under the provisions which are applicable to disabled officers in the Regular Army. Retired pay should certainly be considered either as "pay," "allowance," or "pension." If it is not one or the other of these, it is hard to determine what would be a proper definition.

Measures to correct these injustices have been introduced in both bodies of Congress and are pending in this body before the Veterans' Committee. I sincerely hope that that committee will not undertake to deny to this House the right to pass upon such a measure, as the Military Affairs Committee has done in the past.

#### MILITARY PREFERENCE.

The last Democratic Congress enacted on March 3, 1919, a statute that all honorably discharged soldiers should have preference in the consideration of their applications for civil appointments. The Democratic administration carried this statute rigidly into effect. Every applicant who received a rating of 65 in a civil-service examination was placed on a preferred list, and no matter what the rating of an applicant who was not entitled to military preference his application could not be considered until the military list was exhausted. Upon the Republican administration taking charge this regulation was altered so that the man with a military preference was entitled to only five points more than he would have received if he had not had his military preference. Even this defiance of the law has been carried further, and the military preference has been utterly ignored where political considerations could be subserved. Various instances have come under my observation in the district that I have the honor to represent in which this military preference has been absolutely disregarded and men who have been wounded on the field of battle have been denied appointments in favor of some Republican whose only claim was his service to his party.

Mr. LAGUARDIA. Mr. Chairman, will the gentleman yield?

Mr. HARRISON. Yes.

Mr. LAGUARDIA. I will say that in the Internal Revenue Service in New York Democrats get all the jobs. I can not get any.

Mr. HARRISON. I wish you would bring them down here.

Mr. LAGUARDIA. I can not get them out. [Laughter.]

Mr. HARRISON. If actions of this character were the unauthorized acts of some petty provincial boss, an apology for such utter disregard of the ex-service men's rights might be found in the belief that higher authority would discourage such practice. I regret to say that the practice seems to have received the direct approval of the President of the United States, and this, too, even where the ex-service man was made to pay for appointment under his application. The huckstering of political appointments was fully known to the President when he selected his secretary. He must also have known of the treatment of men with military preference, that I now put in the Record, when he appointed Mr. C. Bascom Slemp his secretary. I read now some interesting letters:

[C. B. Slemp, ninth district Virginia—Committee on Appropriations.]  
HOUSE OF REPRESENTATIVES,  
Washington, D. C., December 19, 1921.

DEAR BEN: We have a rural-route matter at Meadows of Dan in Patrick County that I want you to try and work out on a way that we can get something out of it.

The eligibles are Alvin M. Barnard, Wm. B. Clark, and John A. Smart, all Democrats. They are ex-service men and we will have to appoint one of them. The question is, can we get the one we appoint to put up some cash. I know you can do it if anyone can.

It would be immaterial which one we appoint. My suggestion would be to work it through Arch Staples so as to not get in any hobble that might hurt. If you can agree to get one of the three to do something we can make the appointment at once. You better not use my name or Mr. Slemp's in the matter. Just say that you have

authority to make the recommendation that will go. I inclose you a little note that will back you up in this connection. See what you can do and let me know. Get all you can.

Your friend,

L. B. HOWARD.

[Laughter.]

In that letter was this inclosure:

[C. B. Slemp, ninth district Virginia—Committee on Appropriations.]  
HOUSE OF REPRESENTATIVES,  
Washington, D. C., December 19, 1921.

This is to say that Mr. B. R. Powell is authorized to recommend rural-mail carrier at Meadows of Dan, Va.

L. B. HOWARD, Secretary.

[C. B. Slemp, ninth district Virginia—Committee on Appropriations.]  
HOUSE OF REPRESENTATIVES,  
Washington, D. C., December 19, 1921.

DEAR BEN: Further relative to rural route at Meadows of Dan I wrote you about to-day, I would get all I could out of the matter. Give it to the one that will give you the most. You should have at least \$200, I think.

With best wishes, I am,  
Sincerely,

L. B. HOWARD, Secretary.

Mr. TUCKER. This was from the same Mr. Slemp, and the appointment was made according to his suggestion.

Mr. HARRISON. Oh, yes; and here is another.

[C. B. Slemp, ninth district Virginia—Committee on Appropriations.]  
HOUSE OF REPRESENTATIVES,  
Washington, D. C., February 4, 1921.

Mr. B. R. POWELL, Gretna, Va.

MY DEAR MR. POWELL: Please accept my thanks for your letter of the 3d, inclosing checks in the amount of \$100.

You are doing good work. Keep it up.

With best wishes, I am  
Sincerely yours,

C. B. SLEMP.

Mr. PEERY. Mr. Chairman, will the gentleman give us the date of that letter?

Mr. HARRISON. That letter is on February 4, 1921. The Meadows of Dan matter occurred long after collections for party deficit ceased. There was no possible excuse; there was no canvass pending, and no deficit to be made up, or anything of that character. It would seem that things got to be rather nauseous in Virginia, and we have this letter:

[C. B. Slemp, ninth district Virginia—Committee on Appropriations.]  
HOUSE OF REPRESENTATIVES,  
Washington, D. C., December 22, 1921.

Mr. B. R. POWELL, Gretna, Va.

DEAR BEN: I have letters in regard to the collection of money for post offices. One must be very careful about this. It will bring the party into disrepute, which would be bad for everyone. We must preserve our standing with the people and with the administration.

With best wishes, I am  
Sincerely yours,

C. B. SLEMP.

And now, as a reward—and as these matters were all published, I suppose, as an indorsement of the principle—we find him appointed by the President his confidential adviser.

It is evident from these letters that, according to the Republican administration, the question is not did a man bleed for his country, but did he bleed for the distribution of patronage? [Laughter.] The first was the question which a Democratic Congress propounded, and the second is that which the present Republican administration propounds. I think the Democratic Party has a right to insist that every measure that has been passed for the benefit of ex-service men and disabled men should be properly enforced, and that the ex-service men, regardless of their political affiliation, should be entitled to receive the benefits of them.

Mr. MOORE of Virginia. Mr. Chairman, may I tell my friend something of my own experience?

Mr. HARRISON. Yes.

Mr. MOORE of Virginia. I long ago found what you and others have doubtless found to be the fact, namely, that in spite of a profession, which turned out to be a mere false pretense, to give some regard to considerations of merit; instead of basing appointments exclusively upon party considerations, this administration, through the officials of the Post Office Department, has not concealed its purpose to appoint a Republican postmaster in every instance where a Republican candidate can be put on the eligible list. In my district all Democratic eligibles, however highly they may be rated on the examinations,

and notwithstanding they may be entitled to the preference accorded ex-service men, have been turned down and Republicans selected. In the very first case that occurred I was frankly told by the officials that the purpose was as I have stated, and time and time again I have been informed that the department had referred or would refer the selection from the list of eligibles to the member of the Republican National Committee from Virginia for the final word.

Mr. HARRISON. And his final word is always in favor of a Republican, notwithstanding the military preference. That has been my experience. I have had cases in which a man has been wounded on the battle field, and in order to prevent the appointment of such a man to the place to which he was entitled, and to which the grateful people of the community desired he should be appointed, they have actually transferred a man from some distant place who was a Republican and cut him out of the appointment in that way.

In order that the country may be fully advised of the extent to which appointments to office have been sold, and which must be now considered indorsed by the President, I put in the RECORD a number of letters not necessarily pertaining to military appointments but bearing on the general methods followed in appointment to office in the State of Virginia under the present administration.

In explanation, Mr. B. R. Powell was the man selected by Mr. Slemp to make the recommendations.

[C. B. Slemp, ninth district Virginia—Committee on Appropriations.]  
HOUSE OF REPRESENTATIVES,  
Washington, D. C., December 27, 1921.

DEAR BEN: I inclose you a copy of letter I received from Mr. Jones a short time ago. I have succeeded in pulling his son over the top and am ready to make the appointment, but before we do so it will be necessary for you to get in touch with him and arrange for some money. We will have to have at least \$150 in order to come out whole. It took half of that amount to put the matter over, which I will explain to you when I see you. I want you to handle the matter instead of writing to them direct. It is a very delicate matter, and I had to do some strong wire pulling to get it through, and I know you can work it in the right way. I would not write any letter on the matter but phone the boy to come and see you. If you can, I would like for it to all be arranged by the first of the year. This is a lifetime position for the boy, which he would not have gotten if it had not been for me, and I feel sure they will appreciate fully the circumstances and protect me in the matter. If you think it is worth more than the above amount, you can arrange accordingly. How are you getting along on the Meadows of Dan matter?

Your friend,

L. B. HOWARD.

P. S.: Be sure and destroy this letter after you are through with it.

[C. B. Slemp, ninth district Virginia—Committee on Appropriations.]  
HOUSE OF REPRESENTATIVES,  
Washington, D. C., July 16, 1921.

Mr. B. R. POWELL, *Gretna, Va.*

DEAR MR. POWELL: I certainly did enjoy being with you at the convention, and I appreciate the many courtesies extended to me while there.

I am going to depend on you to work out the Henry County appointments. If our friend Doctor Smith does not fall in line as he should, I think you ought to connect with some one else in that county, and still I think the doctor will be all right if you will have a long talk with him.

Of course, you know that it is necessary in making these appointments to get men in that will help us in a financial way, and also I want you to look after the situation in Campbell County.

I will send you copies of letters that I write to Mr. Morgan, the county chairman, so you can keep in touch with the situation. Let me hear from you all along.

With best wishes, I am,  
Sincerely yours,

L. B. HOWARD, *Secretary.*

[C. B. Slemp, ninth district Virginia—Committee on Appropriations.]  
HOUSE OF REPRESENTATIVES,  
Washington, D. C., July 26, 1921.

Mr. B. R. POWELL, *Gretna, Va.*

DEAR MR. POWELL: I think I have succeeded in having Clyde Boone appointed rural mail carrier at Wirz. Had you better see him and have him help a little?

With best wishes I am,  
Sincerely your friend,

L. B. H., *Secretary.*

[C. B. Slemp, ninth district Virginia—Committee on Appropriations.]  
HOUSE OF REPRESENTATIVES,  
Washington, D. C.

DEAR BEN: I have had Mr. Moon appointed acting postmaster at Saxe. I suggest that you see him at once and have him help us. He should have his appointment within a few days.

Your friend,

L. B. H.

[C. B. Slemp, ninth district Virginia—Committee on Appropriations.]  
HOUSE OF REPRESENTATIVES,  
Washington, D. C.

DEAR BEN: In reply to copy of letter you wrote Mr. Brady, I am not in a position to know who is getting the money in your county. In order to make sure I believe I would send it all here. Let me hear from you.

With best wishes, I am,  
Your friend,

L. B. H., *Secretary.*

[C. B. Slemp, ninth district Virginia—Committee on Appropriations.]  
HOUSE OF REPRESENTATIVES,  
Washington, D. C., December 9, 1921.

Mr. B. R. POWELL, *Gretna, Va.*

DEAR BEN: I thank you very much for your letter of December 7 inclosing clipping. I appreciate your loyalty and shall be glad to reciprocate at all times when I can.

With best wishes, I am,  
Sincerely yours,

C. B. SLEMP.

[C. B. Slemp, ninth district Virginia—Committee on Appropriations.]  
HOUSE OF REPRESENTATIVES,  
Washington, D. C., July 13, 1921.

Mr. B. R. POWELL, *Gretna, Va.*

DEAR MR. POWELL: The Post Office Department has asked us to give them the name of some one who they can appoint acting postmaster at Scottsburg. Please get in touch with Lee Wolfe and give us the name at your earliest convenience. Be sure and get some one that will help us out in our finances.

With best wishes,  
Sincerely yours,

L. B. HOWARD, *Secretary.*

[C. B. Slemp, ninth district Virginia—Committee on Appropriations.]  
HOUSE OF REPRESENTATIVES,  
Washington, D. C., July 2, 1921.

Mr. B. R. POWELL, *Gretna, Va.*

DEAR MR. POWELL: I think I have arranged for the appointment of Mrs. Angel at Boon Mill without an examination, though I prefer that you keep this in confidence.

Do you think it would be wise to ask them for a little more help on our State work. I am just informed that the Post Office Department has called on the civil service to hold examinations at Halifax and Charlotte Court House, Va., so it will not be very long before we can get these matters settled. Let me hear from you all along.

With best wishes, I am,  
Sincerely yours,

L. B. HOWARD, *Secretary.*

[C. B. Slemp, ninth district Virginia—Committee on Appropriations.]  
HOUSE OF REPRESENTATIVES,  
Washington, D. C., December 20, 1921.

DEAR BEN: The postmaster at Lennig, Halifax County, has resigned and wants to be relieved by January 1. Please get in touch with Lee Wolfe and give us name of some one who can appoint acting postmaster, fourth-class office, paying about \$500 per year. Get some help out of party you recommend.

Sincerely,

L. B. HOWARD.

[C. B. Slemp, ninth district Virginia—Committee on Appropriations.]  
HOUSE OF REPRESENTATIVES,  
Washington, D. C., February 4, 1921.

Mr. B. R. POWELL, *Gretna, Va.*

MY DEAR MR. POWELL: Your letter under date of the 3d relative to marshalship received. I know of no promise that has been made in this connection. I have not made any and don't suppose anyone else has.

It is my desire to work everything out satisfactory to all our friends.

With best wishes always, I am,  
Sincerely yours,

C. B. SLEMP.

[C. B. Slemp, ninth district Virginia—Committee on Appropriations.]

HOUSE OF REPRESENTATIVES,  
Washington, D. C., January 12, 1921.

DEAR BEN: The postmaster at Henry, in Franklin County, has died. The department is asking for the name of some one to appoint acting. The office pays about \$600 per year. I wish you would get in touch with Beverly Davis or some one and let us have name as soon as possible. I would have the party send in a little contribution—say \$25 or \$35.

Sincerely yours,

L. B. H., Secretary.

[C. B. Slemp, ninth district Virginia—Committee on Appropriations.]

HOUSE OF REPRESENTATIVES,  
Washington, D. C.

DEAR MR. POWELL: If you can, arrange the balance of the \$200 that I wrote you about. I am leaving for home on about the 23d, and would like to have it before that time. Let me know when I can serve you.

With best wishes, your friend,

L. B. H., Secretary.

[C. B. Slemp, ninth district Virginia—Committee on Appropriations.]

HOUSE OF REPRESENTATIVES,  
Washington, D. C., January 15, 1921.

Mr. E. R. POWELL, Gretna, Va.

MY DEAR MR. POWELL: I thank you for your letter of the 14th relative the South Boston post office matter. I feel sure we will be able to control the situation when the time comes. I shall appreciate if you will keep me advised all along. With best wishes always, I am

Sincerely yours,

C. B. SLEMP.

[C. B. Slemp, ninth district Virginia—Committee on Appropriations.]

HOUSE OF REPRESENTATIVES,  
Washington, D. C., December 23, 1921.

DEAR BEN: Lee Wolfe has recommended Witt H. Henderson for acting postmaster at Lennig. I have recommended him so he can take charge January 1, 1922. Suppose this is all right with you. Lee said he would send \$25 on this. Look after it. Doctor Smith was here yesterday raising hell about matter in Henry County. Will write you fully about it to-day or to-morrow. Keep all my letters confidential, and don't say anything about the Smith matter until you hear further.

Your friend,

L. B. H.

[C. B. Slemp, ninth district Virginia—Committee on Appropriations.]

HOUSE OF REPRESENTATIVES,  
Washington, D. C., January 14, 1922.

DEAR BEN: Everything came in O. K. this morning. I gave Mr. S. 200. He has taken your matter up with Judge McD. Let me know when I can serve you.

Your friend,

L. B. H., Secretary.

[C. B. Slemp, ninth district Virginia—Committee on Appropriations.]

HOUSE OF REPRESENTATIVES,  
Washington, D. C., July 26, 1921.

Mr. E. R. POWELL, Gretna, Va.

DEAR MR. POWELL: I have succeeded in having Mr. Archie H. Kirkland appointed rural mail carrier at Concord Depot.

Can you see him and have him help out a little on expenses. You know how to handle matters of this kind so there will be no come-back. I understand he is a very fine man, a good Republican, coming from Massachusetts.

With best wishes I am,

Sincerely yours,

L. B. H., Secretary.

[C. B. Slemp, ninth district Virginia—Committee on Appropriations.]

HOUSE OF REPRESENTATIVES,  
Washington, D. C., July 27, 1921.

Mr. E. R. POWELL, Gretna, Va.

DEAR MR. POWELL: The Civil Service Commission has announced examinations for postmasters on August 13 at Charlotte Court House, Halifax, and Concord Depot.

Please get in touch with our people at these places and have them thoroughly prepared for these examinations.

I received your letter this morning in regard to the appointment of rural mail carrier at Wirtz, but it came too late, as on yesterday I succeeded in getting Mr. Clyde Boone appointed and wrote you accordingly.

I think you ought to see Mr. Boone before he gets his appointment and tell him what a fight we have made to have him appointed and make him promise to help out on expenses. Let me hear from you.

With best wishes I am,

Sincerely yours,

L. B. HOWARD, Secretary.

[C. B. Slemp, ninth district Virginia—Committee on Appropriations.]

HOUSE OF REPRESENTATIVES,  
Washington, D. C., September 24, 1921.

Mr. E. R. POWELL, Gretna, Va.

DEAR BEN: I am just in receipt of your letter and inclosure from Mr. Moon. I wrote you on yesterday that he had been appointed acting postmaster. His appointment should reach him within a few days.

I note what you say about young Parsons doing some work in the eastern end of the district. My advice would be to just let them do what they can and keep in close touch with your friends in your county and the other counties of which you are referee. We have the advantage, for I will keep you posted about any and all vacancies and will refer them to you. You will have to work on Doctor Smith some more, as I wrote you. He is now getting awfully anxious about the post office. We can do nothing now toward making this appointment unless the present postmaster can be removed on charges. If they will get up some charges and send them in, we will go to work on it. I wish you would write Doctor Smith and explain that we are doing everything we can along these lines. You might say to him that we have won out on everything we have undertaken, with one exception, and will win on that sooner or later.

Don't worry about the action of the people in the western end of the district. Just let them do what they can. Remember that we are your friend and will stay with you. Let me hear from you all along.

With best wishes,

Your friend,

L. B. H.

P. S.: Destroy this letter after you have read it.

I may add that the numerous canceled checks presented on a former occasion were indifferently payable to or indorsed by L. B. Howard, secretary, or C. Bascom Slemp.

#### THE WAR FRAUD CLAIMS.

During the last Congress we heard a great deal about the fraudulent conduct of the contractors during the war time and under the Wilson administration. There have been huge sums of money spent by this administration in the prosecution of the so-called war fraud claims. For the third time, this bill carries a lump-sum appropriation of \$500,000, which is exclusively dedicated to the auditing of war contracts. It is an addition to another \$500,000 lump-sum appropriation that is given to the Department of Justice for the collection of the war fraud claims, so that now \$3,000,000 of lump-sum appropriation has been dedicated to this purpose.

I know of no greater waste of money during this extravagant administration than is exhibited in the prosecution of these so-called war fraud claims.

During the last Congress a special committee was appointed and this special committee was divided into five subcommittees. For months these five subcommittees sat simultaneously. Most diligently they explored every pigeonhole and inquired into every possible clue that might disclose loss to the Government from fraudulent contracts. Incidentally, they spent \$149,000 of public money. They made voluminous reports, and the printed testimony covered many volumes of closely printed matter. It would seem, therefore, that the way of the Department of Justice had been made easy. It was made so easy that in the opinion of two gentlemen on the Republican side of the Chamber the Attorney General should be impeached for failure to take the necessary and proper steps to bring the culprits to justice. Propositions to this end were submitted to the House, and then for the first time the Attorney General comes before the House in the shape of a letter addressed to the President, in which he claims that his failure to prosecute has been due to lack of funds. If he had only the proper appropriation, \$192,000,000 would be unearthed and men high in official life would be exposed. I think that the Attorney General is entitled to speak for himself in this matter, and I read here an extract from his letter:

"The transactions out of which these cases grow, in a vast majority of instances, took place during the preceding administration. Naturally little or nothing was done during that administration to bring these matters to light. As the country will soon have reason to know, influential personages in the Government who had knowledge of these transactions and were in a position to make disclosures were personally interested in concealing them.

It is not to be wondered, therefore, that upon coming into office I found not only that practically nothing had been done in the way of investigating and prosecuting these offenses but that no machinery had been set up for handling the cases in an orderly and systematic way."

At the time this request was preferred it was shown by Mr. BYRNS of Tennessee that the Attorney General had at his command the following list of assistants:

47 special attorneys	\$181,200
170 special assistant attorneys	850,000
District attorneys	900,000
Regular assistants	550,000
Special agents	2,000,000

And, too, Congress was so impressed with the hundreds of millions of dollars of which the Government had been cheated and were so indignant that men high in official life had escaped punishment that the \$500,000 was immediately forthcoming. It was placed absolutely at the discretion of the Attorney General. At the same time, in order to still further facilitate the work of the Attorney General, a lump-sum appropriation of another \$500,000 was given to the War Department. I here insert from the hearings the expenditures of the \$500,000 given to the War Department:

Salaries, total number of persons, and number employed in each grade.  
((\$500,000 audit fund of war claims.)

1 employee, at \$5,000	\$5,000
5 at \$3,600	18,000
4 at \$3,000	12,000
1 at \$2,700	2,700
5 at \$2,500	12,500
7 at \$2,400	16,800
5 at \$2,200	11,000
1 at \$2,100	2,100
12 at \$2,000	24,000
1 at \$1,900	1,900
55 at \$1,800	99,000
3 at \$1,700	5,100
17 at \$1,600	27,200
11 at \$1,500	\$16,500
35 at \$1,400	49,000
8 at \$1,300	10,400
58 at \$1,200	69,600
3 at \$1,100	3,300
4 at \$1,000	4,000
1 at \$720	720
Total	390,820

Total number of persons employed, 237.

In addition, of course, to the salaries paid, the employees received the \$240 bonus. Two hundred and thirty-one employees were thus employed under this fund to audit the claims so that the Attorney General might have all the necessary information which he could possibly require for the performance of his function. This, too, was in addition to the enormous evidence that had been collected by the investigating committees, of which I have already spoken. I insert here the information given to the committee from the Attorney General's office as to how he expended his \$500,000:

DECEMBER 31, 1923.

War transactions section.

SPECIAL ASSISTANTS TO THE ATTORNEY GENERAL.

	Salary.
T. M. Bigger	\$10,000
Charles Kerr	10,000
Thomas W. Hardwick	10,000
Henry W. Anderson	10,000
C. Frank Reavis	10,000
Roscoe C. McCulloch	10,000
James N. Linton	10,000
Milton D. Purdy	10,000
Ralph E. Moody	7,500
William T. Chantland	7,500
Arthur Carnduff	7,200
R. R. Farr	6,000
Marion C. Early	6,000
John Paul	6,000
Harry E. O'Neill	5,000
Herbert E. Hadley	4,500
Archie K. Shipe	4,200
P. H. Marcum	4,200
F. Donald Enfield	4,000
F. Edward Mitchell	4,000
Albert Levitt	3,600
Simeon Atkinson	3,600
H. R. Smith	3,600
Richard L. Merrick	3,500
Paul S. Dodson	3,500
Beverly A. Davis, Jr.	3,500
Paul J. Mullen	2,000
Total	169,400

James M. Butler (compensation to be determined).  
Robert S. Conklin (compensation to be determined).  
Robert C. McClure (compensation to be determined).  
John J. Parker (compensation to be determined).  
John P. Phillips (compensation to be determined).  
Meier Steinbrink (compensation to be determined).

EXAMINERS IN QUARTERMASTER UNIT.

	Salary and bonus.
William Armstrong Hunter (New York)	\$2,160
J. F. Requardt (New York)	2,160
F. V. Willis (New York)	2,160
Dwight H. Williams (New York)	2,160
Henry M. Matter (New York)	2,160
Edward T. Gardner	2,160
John J. Burke	1,760
Francis M. Crawford	1,560
H. Dobel Anderson	1,560
O. W. Hughes	1,560
Total	19,400

EXAMINERS IN ORDNANCE UNIT.

Leo W. Dunn	2,160
John W. Fihelly	2,160
W. H. S. Callahan	2,160
W. O. Burtner	2,160
J. M. Baber	2,160
P. J. Friel	2,160
Eugene V. Buleit	2,000
John F. Moore	1,760
Joseph P. Lieb	1,760
C. C. Keiser	1,760
A. E. Sullivan	1,760
J. Arthur Mattson	1,560
Edwin J. Pond	1,560
Emmett E. Doherty, executive assistant to the Attorney General	2,000
Total	27,120

INDUSTRIAL ENGINEER AND INVESTIGATORS.

Ernest J. Wessen	6,000
Stanley B. Attwood	3,000
Samuel F. Lambert	3,000
James A. Welker	3,000
Raymond L. Joy	3,000
Daniel H. Dunbar	2,400
Total	20,400

STENOGRAPHERS, TYPISTS, AND CLERKS.

Joseph M. Day, special law clerk	2,500
Eva B. Uhl, secretary	2,500
Agnes L. Brown, chief file clerk	1,800
Margaret M. Kelly, special employee (examiner)	1,800
Dorothy D. Lewis, stenographer	1,800
Mrs. Marjorie Baggary, stenographer	1,600
Dorothy H. Gascon, stenographer	1,600
Mrs. Josephine D. Grabill, stenographer	1,600
Helen C. Hironimus, stenographer	1,600
Ruth C. Leslie, stenographer	1,600
Dorothy James, stenographer	1,560
Elizabeth Farrell, stenographer	1,400
Marguerite C. Furrow, stenographer	1,400
Rella M. Lane, stenographer	1,400
Mrs. Beatrice M. Paterson, clerk	1,400
Vera M. Kelley, stenographer	1,300
Vieva M. Cleavenger, typist	1,200
Ned M. Hughes, clerk (office of Solicitor of Treasury)	1,200
Winifred Louise Lamb, typist	1,000
Mrs. Edith P. Anderson, clerk	1,088
Walter K. Caldwell, special employee (chief messenger)	1,004
Helen P. Mills, typist	900
Wade H. Furrow, special employee (messenger)	720
Total	33,966

ACCOUNTING—INVESTIGATION DIVISION.

	Salary.
James Cameron, director	\$18,000
E. C. Andrews, accountant	and bonus 1,760
E. J. Armbruster, accountant	do 2,400
Florence Austin, accountant	do 1,500
F. M. Bellows, accountant	3,000
R. D. Betikofer, accountant	and bonus 1,560
C. B. Boland, accountant	3,000
L. Breslow, accountant	3,000
Louise A. Brown, accounting clerk	and bonus 1,200
A. B. Browne, accounting clerk	do 1,200
W. E. Cadwallader, accountant	6,500
C. M. Crain, accountant	and bonus 2,160
W. H. Dempsey, accountant	do 2,080
J. R. Espinosa, accountant	do 1,850
J. H. Fortune, accountant	4,500
J. H. Fraser, accountant	and bonus 1,560
Helen Gieseking, typist	1,200
R. B. Gilliland, accountant	do 1,760
C. W. Hanger, accountant	do 1,760
Max Herz, accountant	3,000
R. V. Johns, accountant	3,000
L. E. Kiefhaber, accountant	4,200
F. S. Langhenry, typist	and bonus 1,200
J. B. Lowell, engineer accountant	3,000
H. W. McCally, accountant stenographer	and bonus 2,400
J. W. Maley, accountant	do 1,560
G. C. Mantz, accountant	do 2,160
Julian I. Marks, accountant	5,000
J. E. O'Hare, accountant	and bonus 1,560
O. L. Orr, accountant	do 1,760
H. C. Ovvit, accountant	3,000
J. M. Owens, accountant stenographer	and bonus 2,260
C. W. Porter, accountant	do 1,800
C. F. Prescott, accountant	do 1,560
F. G. Read, accountant	3,300
M. Ruppert, clerk	and bonus 1,200
E. W. Shepherd, accountant	do 2,160
H. J. Simmons, accountant	do 2,160
S. C. Simon, accountant	do 2,160
S. J. Smallwood, accountant	do 1,960
H. A. Smith, accountant	4,200

	Salary.
J. H. Smith, accountant.....	\$3,300
R. D. Spaulding, accountant.....	and bonus 1,440
L. W. Townsend, accountant.....	5,000
W. D. Willcoxon, accountant.....	and bonus 1,960
G. W. Wilson, accountant.....	2,740
J. A. Wilson, accountant.....	and bonus 1,560
B. P. Wheatley, accountant.....	do 2,160
Total.....	134,220
Total.....	plus bonus 404,500

It will be observed that although \$500,000 has been appropriated for the purpose of auditing these claims by the War Department, the salaried list of the Attorney General shows nearly \$330,000 expended for this same purpose. It will be observed that the salaries in the War Department are moderate, but it will equally be observed that the salaries in the Attorney General's department are extraordinary in their amounts, one auditor receiving \$18,000 a year. It is plain, in my judgment, that the auditing ought to be done by one or the other of these departments, in order to prevent duplication. If the \$500,000 is given to the War Department for the purpose of auditing the claims, then the Attorney General should be required to call upon the War Department to make such audits as he deems necessary. The Attorney General has now had three years' appropriations to the War Department to audit his claims. He has now been given three special appropriations of \$500,000 each to collect the claims. He has had the benefit of the \$149,000 expended by the special committee and the five simultaneously sitting subcommittees to ascertain all possible evidence on which to prosecute these claims. It would seem, then, that we should have at least had a perspective of the \$192,000,000, which he informs us in the communications at the last Congress he was going to turn into the Treasury. We should at least have had some perspective of the men in high places that he was going to place behind prison bars. Where are those \$192,000,000? Where are the great men that he was going to punish? It would seem that one indictment has stood the fire of the courts, but that was one case against some Republican national committeeman of the State of Georgia. He has not been tried, but he has been indicted. Of all those that have been indicted, the courts have thrown the indictments out of court as wholly unjustified and unfounded on fact. And where is the \$192,000,000? I notice that the report of the committee claims that some \$2,000,000 was collected in one place, \$5,000,000 collected in another, and \$7,000,000 collected in another, but it is disappointing when we read the testimony as to these collections. I observe that very few of these collections seem to have ever reached the Treasury. In regard to the \$5,000,000 on page 299 of the record, I directly asked that question whether that \$5,000,000 represented money paid in the Treasury, and General Walker answered, "No; it is a settled issue, in so far as the Government is concerned. It was taken into consideration by the claims board when the actual settlement was made." As to the \$7,000,000 item on page 312 of the hearing, it is stated that \$578,507 of the same have been collected, so that there does seem to have been collected about \$2,000,000, but this was collected by the War Department and not by the Department of Justice.

We hardly miss a daily paper which does not contain some item in which the litigation instituted by the Department of Justice has not met disaster. The results obtained from these enormous expenditures of money have been to the last degree humiliating. Nothing worthy of the name has been collected through the expenditures of all these millions of dollars. The court proceedings record one governmental disaster after another. Suits for large sums are placed on the court calendars with a great deal of parade and blowing of trumpets, and there they sleep either without prosecution or they are dismissed by the courts when the cases are called on the calendar.

If, however, the expenditure of all this money has been disastrous there is one happy feeling of congratulation, and that is that the Attorney General founded a hospital for the lame ducks of the administration. One has only to read the names and reflect how happy it is that the Treasury can take care of so many public servants that the people have discredited. It is a proud reflection on us Virginians that of the 28 highly paid attorneys some six or more come from the State of Virginia. How did the Attorney General know that all of this legal talent was lurking in the highways and hedges of that great State? Was the mentor the President selected called on for suggestions? There are 48 States, and each State would be entitled to about half an attorney apiece, but Virginia is given six. Looking at the results in the courts, however, it might seem that in the six we have not exceeded our fair lot. One

of the provisions of the appropriation act was that no attorney should receive over \$10,000, but in another happy exception H. W. Anderson, of Virginia, is provided for by giving him an appointment that draws from the packers of Chicago an additional \$10,000, so that Virginia again is specialized in the fact that one of the attorneys at least receives double the amount authorized by the statute. I am not sure that the additional \$10,000 is paid out of the Treasury, but it is paid as the result of a governmental designation. While it is extremely gratifying, therefore, that these lame ducks are so tenderly provided for out of this lump-sum appropriation, yet I insist that the taxpayer should have some consideration, and that the time is now here, painful as it may be, to shut the door of the Treasury. [Laughter and applause.]

Mr. ANTHONY. Mr. Chairman, I yield three minutes to the gentleman from Michigan [Mr. CRAMTON].

[Mr. CRAMTON was granted leave to revise and extend his remarks in the RECORD.]

Mr. CRAMTON. Mr. Speaker, some of our friends in the House for some time have been taking a great deal of interest in the matter of campaign funds with particular reference to the question of beer, wine, and so forth.

We have all just received a very appealing letter. It is a letter that is going not only to the House but to the country as well and gives all of those who have a thirst for beer and light wine with a real kick in it an opportunity to subscribe and get into an organization that means business. The organization is the National Liberty League, with headquarters at Omaha, Nebr. The president of it is Mr. William P. Custard, and that name itself, suggestive as it is of the pie counter, is more or less illuminating as to the methods and the real purposes of this organization. Not 2.75 beer, as has now become the slogan of the gentleman from Maryland [Mr. HILL], in his more modest efforts of late, but 5 per cent beer and 20 per cent wine is what this organization promises. Their campaign fund is to be a \$5,000,000 campaign fund, and they want to reach 10,000,000 as to membership.

The letter is as follows:

THE NATIONAL LIBERTY LEAGUE,  
NATIONAL HEADQUARTERS,  
Omaha, Nebr., March 22, 1924.

[William P. Custard, president, A. L. Blxton, vice president, Dr. A. J. Sabourin, chairman, national campaign fund committee. Help our \$5,000,000 campaign fund (copyright). Don. E. DeBow, national secretary and treasurer. Help reach the ten million mark. For members in every State. Nonpartisan. No saloons. Nonsectarian. Organized by business men, citizens, and taxpayers for the purpose of obtaining a repeal or modification of the Volstead Act and legalization under proper regulations and supervisions of the manufacture and the sale of light wines and beer. We stand for strict governmental regulation and control; for a revenue to be produced, thereby reducing taxes; for strict enforcement of present laws until modified or repealed; for sanity and common sense; for a referendum on this important question; for the election of men to legislatures and Congress to vote for the repeal of prohibition liquor laws. We are glad to cooperate with all similar organizations. It is our plan to enlist the support of every man and woman in the Nation who believes in the league's principles. We stand against the old saloon system; against the prohibition hypocrite; against the bootlegger; against the poison liquor; against commercialization of the liquor traffic. All funds are expended in an educational campaign, circulation of petitions, obtaining members, etc. All donations to our educational campaign fund appreciated. Special membership, \$5 per year; regular membership, \$1 per year.]

HON. LOUIS C. CRAMTON,  
House Office Building, Washington, D. C.

DEAR SIR: You are, of course, well informed as to the change in sentiment regarding prohibition. The majority of the people believed that with the saloon eliminated the prohibition question would be settled and taken out of our State and National politics. It is our belief that the legislative and judicial branches of our State and Federal Governments have gone beyond what the people intended when they voted for prohibition.

Believing it is your desire to represent the will of the majority, the members of The National Liberty League will expect your whole-hearted support and ask for your cooperation in fighting:

First, for repeal or modification of the Volstead Act to permit the manufacture and sale of beer and light wines containing not more than 5 per cent and 20 per cent of alcohol by volume, respectively, with revenue derived therefrom to be applied to the reduction of taxes and our national debt.

Second, for the abolishment of the present restrictions placed on physicians in prescribing liquors for medicinal purposes.

Third, against passing any more prohibition laws until the present are efficiently and impartially enforced.

Fourth, against appropriations for unsuccessful prohibition bureaus.

Respectfully yours,

THE NATIONAL LIBERTY LEAGUE,  
DON E. DEBOW, *National Secretary.*

In order that you may proceed with due information as to how much of this \$5,000,000 is going to be used to bring back 20 per cent wine, I want to read something from the Sunday Bee, of Omaha, Nebr. The Bee has more or less stung the philanthropic motives of this organization. The heading says "Liberty League patriots consume 90 cents; leave dime for great work," and the article is as follows:

Promotion expense of the National Liberty League, with headquarters in Omaha, eats up 90 per cent of the receipts, Don E. De Bow, organizer, secretary, and treasurer, admitted yesterday in District Judge Stauffer's court.

The other dime in the dollar goes to the league and is used for the purpose of defraying league expenses, he said.

Of the 90 cents, local managers get 50 cents, State managers get 25 cents, and De Bow himself gets 15 cents, according to his testimony.

De Bow was being examined to determine whether or not he has any property to satisfy a judgment of \$6,100 returned against him recently in connection with a suit brought by D. E. Cleveland, in which Cleveland alleged that De Bow gave him a faulty deed to some property in Missouri.

"Isn't it a fact that the Liberty League is merely a phantom organization?" asked J. Dean Ringer, former police commissioner and attorney for Cleveland.

He withdrew the question on objection raised by attorneys for De Bow that the character of the organization was not material to the issue.

De Bow testified that the league has about 1,000 paid-up members. He said he has not opened up a bank account for the organization, due to the fact that expenses have eaten up all the dimes accruing to it, and there have been no funds to deposit.

He said the league has its headquarters at No. 405 Paxton Block, in a doctor's office, and that it pays no rent.

He was ordered to bring the league's books into court next Saturday.

Mr. JOHNSON of Kentucky. Mr. Chairman, I yield five minutes to the gentleman from New York [Mr. OLIVER].

Mr. OLIVER of New York. Mr. Chairman, the amazing story told to the House last Saturday by Mr. JOHNSON of Kentucky of the waste of public money in the War Department in the payment of extraordinary fees to auctioneers for the sale of surplus Army stock is the last word in business inefficiency and waste of the present administration. By this system the Government has not only paid millions of dollars to auctioneers but by faulty advertisement of sales and bad distribution of sales has lost millions of dollars in the bargain.

In the meantime the President sits like a sphinx in the White House dreaming of presidential primaries and designing decorations for his band wagon in the next campaign. Meanwhile we see his Attorney General made heir by will to the largest part of the estate of Jesse Smith, his grafting friend and intimate. The intimacy that existed between the two could not be better proven by a thousand witnesses than by the will on file in the probate court in Ohio. And yet the Attorney General's brother, executor of the will, refuses to allow an examination of the assets of the estate by a Senate committee. Surely this is an extraordinary refusal. Did brother Mel act in order to protect the honor of the head of the Department of Justice or merely to protect his property? If he acted merely to protect his property let him know that no one in Washington is trying to take away a single dollar of the property. It has been well known that Jesse Smith was more powerful in the Department of Justice than high officials there. He held no office yet he had his desk there and the right of entrance. He was the Attorney General's pal and companion. Now he wills to his bosom friend more of his estate than he gave to the woman he took as his wife. His brains were blown out in the Attorney General's apartment either by his hand or the hand of another. No autopsy was performed, no inquest was held. He was hurried to the grave. To-day Jesse Smith stands revealed as a collector of graft from whisky deals, fight films, conspiracies, and other piracies. He died when the trial of a great bootleg ring in New York was called. And he willed his money derived from graft to the Attorney General of the United States, the head of America's Department of Justice. But America is forbidden to see the records of that estate. They are now sacred and secret. Why? Is the Attorney General afraid if they are opened they will blacken the character of his dead friend? Or is he afraid that if they are opened they will show that the

head of the Department of Justice of America is fighting a woman so that he might become possessed of the graft his dead friend collected. For whom did Jesse Smith collect the money in life if he provided before death that it should go to the Attorney General? Jesse Smith was merely a storekeeper in a small town in Ohio before Daugherty became Attorney General. Yet he lived by the side of the Attorney General in Washington, shared his office, lived and died in his home. And he never held a position or drew a salary or had a fortune. The records of the probate court in Ohio of Mel Daugherty's bank should be open to the public inspection.

Yet the President merely confers with his campaign managers. Why does he not turn over to Secretary of State Hughes the task of finding out the facts? In New York Mr. Hughes conducted the great insurance investigation which resulted in electing him governor. Why does not the President tell Harry Daugherty to lay before Secretary Hughes the facts about that will? If the President will not help the Senate committee to secure the information, why does he not get it himself? In a few days Secretary Hughes could get the facts for him without interrupting his conferences about the next campaign. The President is not a judge. He is an executive. He is acting like a sleepy judge in court with a jury at his elbow to listen to the evidence and take the responsibility for deciding the facts. There is no complex law point in this case. Plainly it stands, Shall Harry Daugherty be allowed by the President to conceal the evidence that all America demands? If he wants to conceal it, let him step out of the Cabinet and conceal it if he can. If he wants to stay in the Cabinet, why is he afraid to reveal the facts about the will and estate of Jess Smith?

The President made his reputation in Massachusetts by dismissing policemen after they had gone on strike. Must Cabinet officers go on strike before they are dismissed? Or is the President afraid to discharge any public official greater than a policeman.

The President owes it to the country to unlock the secrets of relationship of Harry Daugherty and Jesse Smith, the secrets of the will, the secrets of the estate, or else he must stand before the country approving of an Attorney General who fights a woman for the possession of graft. [Applause.]

Mr. JOHNSON of Kentucky. Mr. Chairman, I yield 10 minutes to the gentleman from Minnesota [Mr. KVALE].

Mr. KVALE. Mr. Chairman, I ask unanimous consent to extend my remarks in the Record.

The CHAIRMAN. Is there objection to the request of the gentleman from Minnesota?

There was no objection.

Mr. KVALE. Mr. Chairman and gentlemen of the committee, I had no idea that I would be granted any time to-day or I would have prepared an address on the subject, but I want to say a few words about matters in general, anyway. I have sat here day after day listening patiently to discussions of bills and amendments providing for all these appropriations for the Navy and for other purposes, and I suppose I shall have a like experience during this debate on the bill providing for Army appropriations. My heart bleeds through it all when I consider what all this money is being used for. I refer not so much to the expenditures that have been revealed here by the gentleman from Kentucky, the hundreds of thousands of dollars to auctioneers, and all the other graft. I refer to what has been used in what is considered a legitimate manner, for the upbuilding of our Army and Navy, for the strengthening of what is called the national defense, and for all so-called legitimate purposes.

I have listened to these figures, and I have noted the invisible power that is back of all this. Let me say that I have unbounded respect for the power that is railroading through all this legislation. I have sat here, and, with the majority of the gentlemen of this House, I have had my hands and feet tied and my mouth bandaged while we had rammed down our throats the so-called adjusted compensation bill.

Mr. YOUNG. Will the gentleman yield? One vote more than one-third would have given you a week. There were more than that on the opposite side. All you had to do was to vote, and one vote more than one-third would have given the gentleman a week or two weeks. The bill would have remained on the calendar.

Mr. KVALE. The gentleman knows how that vote would have been misinterpreted by the very gentleman who is now speaking to me.

Mr. YOUNG. The gentleman could have had a whole week to explain it and to pass a better bill if he could have found one.

Mr. KVALE. I think a better bill could have been passed, and I hope the Senate will enable us to pass a better bill.

Mr. WATKINS. Will the gentleman yield?

Mr. KVALE. Yes; I yield.

Mr. WATKINS. The gentleman from North Dakota might explain why they excepted from the bonus bill the female veterans of the World War and did not give them any rights, if it is such a perfect bill, he being a member of the Ways and Means Committee.

Mr. KVALE. I agree with what the gentleman says.

Mr. YOUNG. Why did you not vote against suspension? You had plenty of votes on that side to prevent it.

Mr. WATKINS. Why did you put that exception in the bill?

Mr. KVALE. If the gentlemen will pardon me, I have the floor, and all this is coming out of my time.

Mr. Chairman, during the World War I pleaded for justice and a square deal for the soldier. I saw no reason why the man who bared his breast to the enemy should not be paid at least as much as the one who remained at home. As is well known, Congress voted the service man a bare pittance while the man thousands of miles away from the trenches made good money in almost every conceivable occupation. Since the close of the war I have advocated adjusted compensation for the ex-service man as a matter of plain and simple justice.

I have voted for this paid-up insurance measure under protest. In the face of the promise, the carefully impressed assurance by administration leaders that full and ample consideration would be given the adjusted compensation bill and other bonus bills if only the Mellon tax plan were considered separately, I consider it nothing short of a willful insult to the ex-service man and a disgrace to the name of this body for you who had this bill in charge to ram it down the throats of the House Members.

You know, and everyone knows, that it is not a soldiers' adjusted compensation. It is nothing but a political makeshift. Because you knew that if we voted against the "gag rule" for its consideration we would be represented in our districts as opposing its consideration at all, you knew you would be victorious. Because you knew, in addition, that if we voted against this insurance bill in the hope of later passing the original adjusted compensation bill, we would likewise be held up before our constituents as opponents of a bonus and as traitors to the cause of the ex-service man, you sat upon the floor of the House and laughed uproariously, raucously, insultingly, at the few Members who were able in the limited time to voice their resentment and their protests.

This one feature, the elimination of the cash-payment option, has changed this bill from a measure that does the ex-service man a just act to a measure that not only betrays his best interests, but allows Members complacently to return to their districts saying they have supported a bonus, and allows the financial interests and the money lenders to receive, through interest and discount and other charges, a large part of the bonus. Plans have been proposed including a cash-payment option that would not cost the Government any more than the insurance proposal embodied in the bill passed by the House, and in all likelihood not as much.

I wanted to see the cash-payment feature a part of the bill. The soldiers have waited five years. They have hoped that your promises to them would be kept. Hundreds of thousands of ex-service men throughout the country would prefer to see this bill fail of passage and enactment; then, perhaps, at the next session, with another party at the helm, another membership here, we could give the man who asks an adjustment of his war compensation the treatment at our hands that he asks, and that he so eminently deserves.

I sat here yesterday and watched a somewhat similar procedure. I voted for the bill to give \$10,000,000 for the relief of starving women and children in Germany, and I would gladly have voted for a larger amount. But it requires no great political acumen to recognize the fact, brought out by some of the speakers, that mercy and humanitarianism were not the only considerations in this case.

I listened to Members preaching sermons from this floor, and for a time I thought I was back in my old calling, only sitting in a pew instead of standing in the pulpit. Extracts from the twenty-fifth chapter of Matthew were read. I was glad to hear those excerpts from the New Testament. I have quoted that portion of it hundreds of times and most heartily subscribe to every word of it. But I could not help thinking that perhaps back of it all there was this invisible power, with other motives not quite so hallowed. I do not impugn the motives of any man, least of all the motives of the gentlemen instrumental in bringing this resolution before the House—

Mr. YOUNG. Will the gentleman yield?

Mr. KVALE. No; I shall have to decline to yield further. I believe their motives were the highest and noblest. I have no reason whatever for believing anything else. Nevertheless I have more than a suspicion that back of it all was that invisible power that put it through for political purposes. For that reason I appreciate the stand of gentlemen in this House who refused to vote for it. But, as stated, I voted for it, and I would be glad to vote for double and treble the amount. I believe that in such cases even a political purpose can achieve some ultimate good.

I do not believe that any Member who has familiarized himself with the abundance of complete and competent evidence of widespread and acute distress now prevailing in Germany failed to see the crying need for relief. If they opposed the resolution it was for some other reason, perhaps worthier.

The misery, starvation, disease, pestilence, want, suffering—all these—have been pictured to us again and again. When I think that 20,000,000 people are actually starving, that 50 per cent of the children in the larger areas are tubercular, that others are undernourished, crippled, and deformed from rickets; when I think of the lack of fuel and clothing and supplies, then I regret that the sum we voted to appropriate was not substantially larger.

These suffering, dying women and children are in every sense casualties of the Great War. We did not wage war upon them nor they on us. Many of them have been born since the war. While it is true that some of us represent sections of the Nation, such as mine—the Great Northwest, where there is acute financial distress, there is food in plenty everywhere; in fact, our trouble is that there is such an abundance of food at low prices that the farmer is unable to market it. For humanity's sake I rejoice at the passage of this resolution.

I am reminded, too, when I speak of the financial distress among our farmers, of the amendment offered by the gentleman from Texas [Mr. Jones] and adopted by the House. The fact that the resolution, thus amended, provides that in the purchase of the several foodstuffs and materials for this relief work preference should be given to the American farmers and cooperative farm-marketing organizations, thus eliminating middlemen and profiteers, constitutes another reason why I was glad to vote for this measure.

While I think I can appreciate the viewpoint of those who opposed the measure on constitutional grounds, I nevertheless feel sure that we are in this way clearly obeying the mandates of the Constitution in "promoting the general welfare" and securing "the blessings of liberty to ourselves and our posterity." Benefits and blessings in future years, in countless ways, will be our reward; but greater than all these will be the knowledge that we have followed the teachings of Jesus of Nazareth, that we have acted the part of the good Samaritan, and so in a very material way helped to heal the wounds left by the war and to promote peace on earth.

And now I expect to sit here for the next two or three days and listen to debate on these proposed appropriations for the Army, appropriations that are more than double the amount appropriated in the year before the war to end war. That will not tend to promote peace on earth.

The gentleman in charge of the bill on the Republican side, I believe, spoke about some surgical operations that have been performed on the Army bill. I do not know what the gentleman understands by operations, but it seems to me that he would call the removing of a growth on your little finger a serious surgical operation. That is the kind of operation that has been performed on the Army bill through these many years, and I doubt if the growth has been removed. We have more than doubled our appropriations for the Army, and that despite the fact, as I said, it was a war to end war. Where is this all going to end? We have millions and hundreds of millions to spend in this way, but when it comes to taking a little out of the Treasury for the toilers and producers of this land who are in dire need we have nothing to spare. Army and Navy, battleships and submarines, guns and powder and poison gas, and all pointing to war and more war.

Where are the gentlemen now who will read the Master's words in the New Testament in opposition to this large appropriation for the Army? Let them come now and read from the Sermon on the Mount. Let them come and read the Master's words, "Blessed are the peacemakers, for they shall be called the children of God." That was the truth when those words were uttered 1,900 years ago and it is the truth to-day. All these measures are but measures to bring on more and more war. You know that the larger the appropriations for the Army and the Navy the nearer we are to war. You can not get away from that.

I refuse to go along on these large appropriations, and if I thought there was the slightest hope of passing them I would offer an amendment after every section cutting the appropriations in half; but I suppose it would be futile to attempt it. We can not even have a record vote on these different appropriations here because of the rules governing the procedure in this House, and so it will be rammed down our throats again. And I half suspect that we never will see the day in the life of this Congress when the resolution offered yesterday by the gentleman from Iowa [Mr. RAMSEYER] will be considered here, providing for the profits to be taken out of war. Every Member of this House knows, and every intelligent human being knows, that when you take the profit out of war you have stopped war. [Applause.]

The CHAIRMAN. The time of the gentleman from Minnesota has expired.

Mr. DICKINSON of Iowa. Mr. Chairman, I yield 10 minutes to the gentleman from Iowa [Mr. HULL].

Mr. HULL of Iowa. Mr. Chairman and gentlemen of the committee, I hope in what I say everyone will take it as a friendly criticism of the Army, something that might be made constructive. I quite agree with the gentlemen who have spoken about the enormous expense of our Army and Navy. We are spending too much money in national preparedness, but I want to remind gentlemen on the Democratic side of the House that those on the Republican side of the House are responsible for the greatest reduction in national preparedness that ever happened in this country.

Mr. RANKIN. In what respect?

Mr. HULL of Iowa. No; I can not yield, I have not the time. When we took charge of the Army it had been illegally enlisted to 240,000 men in the Regular Army, or some sixty to eighty thousand men beyond the appropriation bill, and the administration, your administration, was asking for universal military training. If we had consented to that, your bills would have run to-day over \$1,000,000,000 for the Army.

Mr. HARRISON. Will the gentleman allow me to call his attention to the fact that the chairman of the Committee on Military Affairs, Mr. KAHN, was the gentleman who introduced that bill?

Mr. HULL of Iowa. Oh, the gentleman from Virginia knows very well that it was the Secretary of War of the Democratic administration who sent the bill to the Committee on Military Affairs, with the request that it be introduced.

Mr. HARRISON. But he could not introduce it.

Mr. HULL of Iowa. And it was the Republicans who defeated it.

Mr. STEVENSON. Will the gentleman state who introduced the bill? It was Mr. KAHN, of California.

Mr. HULL of Iowa. I refuse to yield. I only wanted to remind gentlemen on both sides that if they want to take the profit out of war they can do it. There will be enough gentlemen on the Republican side to help you.

Mr. RANKIN. Will the gentleman introduce the proper resolution?

Mr. HULL of Iowa. Certainly, I will. I refuse to yield further. I have only 10 minutes, and the gentleman knows it. I simply want to say this, that you will never have in this country any honest-to-God preparedness until you take the profit out of war, and you will never take the profit out of war until you take it out of the peace-time preparedness, and you can do it.

Mr. RANKIN. The gentleman is a member of the Military Affairs Committee.

Mr. HULL of Iowa. I have not the time to yield.

Mr. RANKIN. We are willing to help you and will be glad to.

Mr. HULL of Iowa. I hope you are; but you know very well that the trouble is that rich contractors are getting contracts all the time from the Army and from the Navy and from the Shipping Board for work that could be easily done in the arsenals and the navy yards of the country, which are now practically standing idle. It is not so easy for Congress to stop that, for I realize that it would take some very drastic amendments, and there is the trouble. Congress is willing to stop it, but they will not do so. I am reminded right there of the way that the War Department acts when Congress legislates. We have been legislating for some eight or nine years trying to get a one-year enlistment in the Army. It was written into the law several years ago, and it reads as follows:

SEC. 27. Enlistments: Hereafter original enlistments in the Regular Army shall be for a period of one or three years, at the option of the soldier, and reenlistment shall be for a period of three years.

Have any of you ever heard recently of a man getting into the Army for one year? The General Staff laid down a policy

and ignores the will of Congress, and practically defies Congress by so doing. Some of you are lawyers. Can you find here a way by which they could avoid carrying that simple two-line statute out? I venture the assertion that there is not a lawyer who would risk his reputation on the fact that the War Department had any right to interpret the statute excepting that the soldier should choose whether he would enlist for one year or three years.

The War Department, however, sets up the right. Now, I think that would save the War Department a good deal of money. They do not think so, but that does not make any difference; it is in my opinion simply a question of law enforcement.

Mr. CRAMTON. Will the gentleman yield?

Mr. HULL of Iowa. I will.

Mr. CRAMTON. Does not the gentleman think that if the War Department would conform to the law it might be able to keep their enlistments more nearly up to the authorized strength?

Mr. HULL of Iowa. I do; but that is not the question. Why, the gentleman here talks about law enforcement more than anybody else, and this is nothing but a question of law enforcement.

Mr. CRAMTON. I am trying to help the gentleman enforce this law.

Mr. HULL of Iowa. I refuse to yield further at this time.

Mr. CRAMTON. If the gentleman objects to my trying to help him in the matter, I am sorry.

Mr. HULL of Iowa. I want to say just a word on coast fortifications before I finish. I am glad the committee has seen fit to reduce appropriations for coast fortifications, especially at the Panama Canal. So far as I am concerned, I think they could have stricken out all of it, not but what we ought to have coast fortifications but because the plans of the War Department for the fortifications of the Panama Canal are 20 years behind the time. They are obsolete before you begin them, and if they go to work and spend the millions of dollars that they have asked for before they finish the job they will be coming back here to Congress and asking us for millions to tear them down and put something more modern in their place.

Mr. BARBOUR. Will the gentleman yield?

Mr. HULL of Iowa. I will.

Mr. BARBOUR. Can the gentleman tell us what he would put in down there?

Mr. HULL of Iowa. I have an idea that we should not put cannon on top of a hill or mountain. A fixed fortification is obsolete to-day, and has been for 20 years. They should use protected concealed places and movable or railroad artillery. If they will do this, they will have modern protection, and that at one-half the expense.

Mr. BARBOUR. The gentleman understands the present plan does not contemplate putting cannon on top of a mountain.

Mr. HULL of Iowa. I think the gentleman had better examine the plans of the War Department.

Mr. BARBOUR. Does the gentleman refer to Taboga Island?

Mr. HULL of Iowa. I refer to the fortifications on the Atlantic side. And I think the cannon you are preparing to put in on the Pacific side is a fixed fortification, to be put on the highest hill they can find. Everyone knows where it is, and it makes a fine mark to aim at and hit.

The CHAIRMAN. The time of the gentleman has expired.

Mr. YOUNG. Mr. Chairman, many northwestern people have written to me to protest against the drawback provision of the Fordney-McCumber law and to declare that the wheat duty of 30 cents per bushel was thereby made valueless. There is no truth in this. No wheat has been imported under the drawback provision. Some of my correspondents to whom I have explained this have then expressed the opinion that it would be necessary to wait a few months to learn whether a drawback of duties would be claimed by flour millers. It is not necessary to wait a minute to know whether any drawbacks will hereafter be claimed covering importations of wheat already made. There are two requisites upon the part of wheat importers which must be met before a drawback of duties may be obtained.

It is necessary in the first place to make a formal application to the Treasury Department, giving information as to the character of the plant where the wheat is to be manufactured and how the wheat is to be handled, and a showing as to the responsibility of the concern. If this is satisfactory, the Treasury will give its approval.

No milling concern has received such approval since the passage of the Fordney-McCumber law. Prior to that time the following concerns had been approved:

Duluth-Superior Milling Co., Duluth, Minn.  
 Washburn-Crosby Co., Minneapolis.  
 S. W. Hershey Flour Mill Co., York, Pa.  
 Superior Flour Co., San Francisco, Calif.  
 David Stott Flour Mills, Detroit, Mich.  
 Hecker-Jones & Jewell Milling Co., New York.  
 Tacoma Grain Co., Tacoma, Wash.

In addition to approval by the department as just explained it is also a requisite that the importer of wheat shall at the time of importation serve notice on the customs collector that he intends later to ask for a drawback. I have just received telegrams from the collectors of the chief customs houses on the Canadian border, who state that no such notices have been given to them.

It is therefore established, beyond a doubt, that the so-called wheat drawback, as contained in the Fordney-McCumber law, has not yet been used.

There have been drawback provisions in every tariff bill for many years, whether enacted by Republicans or Democrats, but they have practically not been utilized. Occasionally some mill has ground a small consignment and then has abandoned it as unworkable.

The drawback provision in the Fordney-McCumber law is worded differently than such provisions in former laws, and many of us were afraid that it would permit large importations with the payment of practically no duty, so many of us in the West opposed it vigorously. It seems, however, that, like its predecessors, it is unworkable.

There have also been complaints about milling wheat in bond. There is no special provision in the Fordney-McCumber law for milling wheat in bond. There is a manufacturing-in-bond provision which applies to any article imported in bond, and under which wheat may be handled. But such a provision has been in tariff laws for many years, whether enacted by Republicans or Democrats. In justification it is asserted that if a foreign article does not enter American consumption it should not pay a duty, and by permitting the manufacture and exportation of such article it gives employment to American labor. For illustration, we have big exports of cocoa and chocolate products. The raw material for such products is brought into the United States in bond and manufactured in bond. It gives employment to a large number of people who spend their money in the United States.

An examination of the figures covering imports of wheat shows that the present portion of wheat imported in bond ground and exported without payment of duty is comparatively small as compared with the total imports of wheat free of duty under the Underwood law:

*Data regarding wheat and flour imports and wheat manufactured in bond.*  
 (Fiscal years (from July 1 to July 1) 1921, 1922, 1923, and 1924.)

Fiscal year 1921 (the last year under Underwood law):	
Imports of wheat.....	51,004,024
Imports of flour (expressed in bushels).....	6,393,978
Total bushels.....	57,398,002
Fiscal year 1922:	
Imports of wheat.....	14,465,509
Imports of flour (expressed in bushels).....	2,785,972
Total bushels.....	17,251,481
Fiscal year 1923:	
Imports of wheat.....	18,012,540
Imports of flour (expressed in bushels).....	1,932,322
Total bushels.....	19,944,862
1924 (July 1, 1923, to February 1, 1924):	
Imports of wheat.....	17,775,533
Imports of flour (expressed in bushels).....	560,479
Total bushels.....	18,336,012

Included in the above totals of imports there was manufactured in bond without payment of duty:

Fiscal year 1921: None, because wheat free under Underwood tariff law.	
Bushels	
Fiscal year 1922.....	6,172,837
Fiscal year 1923.....	9,280,787
July 1, 1923, to February 1, 1924.....	8,192,362

The total of imports for the fiscal year ending July 1, 1924, will probably not be much more than those for the fiscal year ending July 1, 1923, because navigation on the Great Lakes will probably not open before May 10.

These figures show that, even with the manufacturing-in-bond provision in force, the imports of wheat have been greatly reduced under the Fordney-McCumber law as compared with imports under the Underwood law. As already explained, the manufacturing-in-bond provision has been in every tariff law, Republican or Democratic, for many years, and it is exceedingly doubtful whether either party would consider its repeal.

Mr. Chairman, the duty on wheat has been of decided advantage to American wheat growers. Those who have given

study to the subject know this is true. It is unfortunate that quite a number of people in the wheat areas, even in the Northwest, have said that the wheat duty is valueless. It is both reckless and unwise to make such statements, because the people of the East and South are not particularly enthusiastic about the wheat duties and sometime they might call the bluff.

The Bismarck (N. Dak.) Tribune in discussing the subject says that wheat farmers may be injuring themselves by constant misrepresentation of the operation of the tariff on wheat. I shall not stop to read this article but shall have it printed in the RECORD.

#### CONCERNING THE TARIFF.

Congressman GEORGE M. YOUNG points out forcibly to the people of North Dakota how they may be injuring themselves by constant misrepresentation of the workings of the Republican tariff law through either misunderstanding or ignorance of the facts. There has been much opposition in North Dakota to the "drawback" provision in the Fordney-McCumber tariff; the opposition has found expression in Nonpartisan League meetings and in the resolutions of the "Real Republican" convention alike. Granted that Mr. YOUNG'S figures are true, the situation has been grossly misrepresented.

It is pointed out by him, first, the "drawback" provision of the law means nothing. He says: "Drawback provisions have been in every tariff law, both Republican and Democratic, in one form or another, but no wheat worth mentioning has ever come in under such provision, and absolutely not one bushel of wheat has been imported under that provision of the Fordney-McCumber law."

There is no "milling-in-bond" provision in the law, he points out, but there is a "manufacturing-in-bond" provision in the law. It is not true, however, if Mr. YOUNG'S figures, which presumably are official, are correct, that this provision destroys the value of the tariff law. For example, under the Underwood (Democratic) tariff law 57,398,002 bushels of Canadian wheat were imported in 1921; under the Fordney-McCumber (Republican) tariff law but 19,944,862 bushels of wheat were imported in 1923. While there is not available any comparison of the importations of manufactured-in-bond wheat for 1921 because wheat was free under the Underwood law, the total amounted to but 9,280,787 bushels in 1923 under the Fordney-McCumber law.

As Mr. YOUNG aptly remarks: "If northwestern people continue to assert that a wheat tariff is valueless, Congressmen from the East and South, who as a rule are skeptical about the value of a wheat tariff, might in some future Congress take northwestern wheat growers at their word."

There is a case for argument on the manufactured-in-bond provision. It has been insisted upon by representatives from manufacturing communities not only with reference to wheat but with reference to other raw materials imported, on the ground that to bring foreign materials in the country to be manufactured and sold abroad brings employment to American workmen. There is not, however, valid ground for the declaration that the wheat tariff does not keep Canadian wheat out.

President Coolidge has taken a step in the interest of the northwestern farmers which ought to further reduce the amount of Canadian wheat imported, by increasing the duty from 30 to 42 cents a bushel under the flexible provisions of the Fordney-McCumber law. Tariff protection is essential to northwestern wheat growers; the people of the Northwest ought to admit it, uphold this Republican principle, and let the rest of the country know they will fight for it.

It is believed that there will be a great reduction in the quantity of wheat imported under the tariff rate of 42 cents per bushel recently proclaimed by President Coolidge upon the advice of the United States Tariff Commission.

When the Fordney-McCumber bill was under discussion it was said that placing a duty on wheat as high as 30 cents per bushel was an effort to deceive the wheat farmers by making it appear that much was being done for them, and that 10 cents a bushel would be sufficient to keep Canadian wheat out of the United States. Over 10,000,000 bushels of wheat actually paid the duty of 30 cents per bushel during the fiscal year 1923.

Mr. Julius H. Barnes, wheat director during the war and the best authority on grain prices in this country, in an article in the Nation's Business, said the wheat duty was worth about 23 cents per bushel on the higher grades. Other authorities have said it amounted to more than 23 cents per bushel.

I doubt if any law ever passed by Congress has been so persistently and viciously misrepresented as the Fordney-McCumber law. When the bill was before Congress it was repeatedly asserted that there would be little revenue collected under it because the rates of duty were said to be prohibitive. Instead more goods have been imported under it than under the Underwood law, and almost twice as much collected in duties. Indeed, no substantial reduction could now be made in income taxes were it not for the decided success of the Fordney law from the revenue standpoint.

A correspondent for a British newspaper says that the Fordney-McCumber tariff law discriminates against the American farmer in that it carries duties on virtually all articles purchased or consumed by the farmer. It is excusable for a foreigner to make so serious a mistake, but with less excuse quite a number of our own people, without stopping to read the law, have fallen into the habit of making the same observations.

A reading of the law discloses that if there has been discrimination it is for and not against the farmer. The free list gives the farmers decidedly the best of it.

Plows, tooth or disk harrows, headers, harvesters, reapers, agricultural drills and planters, mowers, hoes, cultivators, threshing machines, cotton gins; machinery for the manufacture of sugar; wagons and carts; cream separators valued at not more than \$50 each, wholesale, and all other agricultural implements are free of duty.

All animals imported for breeding purposes are on the free list.

Binding twine comes in free of duty.

Lumber, including that planed, tongued, and grooved; clapboards, laths, shingles, logs, timber, poles are on the free list. Cement is free, also limestone rock, asphaltum, bitumen, and tar.

Fertilizers are free of duty, including guano, manures, bones used for fertilizers, potash used for fertilizers, muriate of potash, sodium nitrate, potassium nitrate, calcium nitrate, used for fertilizers are free.

Barbed wire, plain or galvanized, and fence posts are not dutiable.

Leather, harness, and saddles are on the free list, also pads for horses, also boots and shoes.

Gasoline, benzene, kerosene, and crude, fuel, or refined petroleum are on the free list.

Instead of virtually all articles being dutiable which farmers must buy in connection with their business, the bulk of them are on the free list.

I am not unmindful of the serious extremity in which farmers in the hard-wheat belt are placed; but their troubles have not been occasioned by the tariff. From the standpoint of a well-balanced tariff, they have been given fair rates of duty on farm products. They have not in all cases been prohibited, but they should remember that they are the ones who have always been most pronounced in their views that tariff rates must be reasonable and not so high as to prevent importations, and they should also remember that there have been heavy importations of many manufactured articles subject to duty.

True, living costs are high, but they are caused by things other than the tariff. A glance at the free list will recall to us that the costs of some of the articles in that list have advanced more in price than have some other articles now subject to duty. It was declared in the Democratic platform of 1912 that the high cost of living was caused by a high tariff, but under the Underwood bill, with reduced tariff rates, the costs of living steadily mounted.

Those who are complaining that rates of duty are now high will perhaps be surprised to learn that the average rate of duty collected on all imports the last year of the Underwood law was 14½ per cent, while under the Fordney-McCumber law it is 15½ per cent. Partly because of this slight average increase, but more on account of the readjustment and fixing of rates upon a scientific basis, business has been greatly quickened and unemployment has ceased.

Those who reflect that there were millions of men out of work at the time President Harding took the oath of office who are now well employed should think well before they declare for a change in tariff policy.

Mr. DICKINSON of Iowa. Mr. Chairman, if there is any more time, I yield the balance of the time to myself. [Applause.]

The CHAIRMAN. The gentleman has 16 minutes remaining.

Mr. DICKINSON of Iowa. Mr. Chairman, I did not know from my experience on the subcommittee on the Army bill that the Republican patronage of Virginia was involved in the subject, but it seems it was involved. I am not surprised that Bascom Sloop has not been able to distribute that patronage satisfactorily to the gentleman from Virginia and his colleagues.

Now, with reference to the war-fraud returns and with reference to the half million dollars from the audited war contracts, it seems to me there is a decided distinction here in the audit of the War Department and the prosecution of these war-fraud cases by the Department of Justice. One is a business audit to determine the business status of the contract; the other is a legal audit, a legal transaction to try to recover on a claim that they find. I believe that there is a fair showing here.

The actual cash collections by the Finance Department in the War Department were \$2,760,000 plus, \$280,422 by the Air Service, \$578,507 by the Comptroller General, and \$4,218,000 by the Department of Justice. There has been referred to the Department of Justice for action \$13,824,000. There has been referred to the General Accounting Office \$6,947,000. There has been covered in other adjustments by claims board \$5,892,000. Amount pending investigation or adjustment, \$10,657,000. Now the report says that the Finance Department has recovered \$2,760,000, which was covered into the Treasury. The Air Service has covered in \$280,000, and that by the Comptroller General was \$578,000, and \$4,218,000 by the Department of Justice. Now, the item that the gentleman from Virginia referred to of \$5,892,000 was not a cash item, but was an offset to counterclaims covered in the Court of Claims to be taken into consideration by the court in the adjustment of claims. There was no intention of trying to cover that into the Treasury, and for that reason I believe we are entirely justified here in retaining this item in this bill. And they contend at the end of this year they will practically have completed the audit of these claims in this department.

The part of this bill I want to discuss with you at the present time is with reference to the river and harbor item. The item in the bill is for the amount carried in the Budget estimate. It is the contention of the War Department that carrying out their contracts which they have now entered into, that they will be able to proceed to the next time an appropriation will be available; that under this bill at the present rate of four and a half to five millions per month they can carry on the present program to its completion, and they have plenty of funds to carry it on until the next appropriation becomes available. It seems to me that there are several phases of this item that we want to consider. It was in the last Congress that we practically said in this country that we are going to stand by river and harbor improvements and make every effort to put navigation on our rivers and our harbors. I think one of the interesting facts which was developed in the hearings on this bill was the particular fact that where we have our harbors best improved there we get the best return for the least money in public expenditure. I have reference to the Great Lakes, and if you will turn to page 1514 of the hearings on the nonmilitary part of this bill you will find at the bottom of that page the return per ton per dollar is there estimated:

	Total commerce (tons).	Ton cost average.	
		Improvement.	Maintenance.
Principal seacoast harbors.....	307,389,342	\$0.045	\$0.022
Secondary harbors and coastwise channels....	36,279,955	.104	.069
Lake harbors and channels.....	280,541,933	.002	.008
Principal rivers.....	33,015,071.06	.346	.058
Secondary rivers.....	6,637,116	.017	.158

So that where you find our harbors are best improved, it is in the section of the Great Lakes. There the Government expenditures are the least per ton of any place in all our waterway system. In that connection I want to suggest to the House that we are now spending about \$6,000,000 in the harbor of New York.

Mr. MORTON D. HULL. Mr. Chairman, will the gentleman yield?

Mr. DICKINSON of Iowa. Yes.

Mr. MORTON D. HULL. What do you mean by return per ton?

Mr. DICKINSON of Iowa. The Government is paying out for improvements and dredging so much money, and in return there are so many tons of commerce carried on that particular river or in that particular harbor.

Mr. MORTON D. HULL. Is it the proportion of the appropriation to the business done in the harbor per ton of vessel capacity?

Mr. DICKINSON of Iowa. Absolutely.

Now there is one phase developed here that I think will be of interest to the gentlemen from New York. We find there is about \$6,000,000 in this bill for the improvement of New York Harbor and the subsidiaries of New York Harbor. In the general discussion there were many questions asked as to who controlled or who had any supervision or had the right to supervise or fix the ton rate in New York Harbor. We had investigations of this matter, and we had the report of the port authorities of New York. We have gone through that carefully, and we do not find that in the expansion of their plan any ar-

rangement has been made by the joint legislatures of New York and New Jersey wherein the Government or anyone else has the right to supervise the tonnage charges on freight carried from one place to another. It seems to me that is a phase of legislation that we ought to go into.

Mr. Chairman, I would like to insert in my remarks a letter received from Mr. Eastman under the date of February 18, 1924, involving this question. I will insert it in my remarks.

The CHAIRMAN. Is there objection to the request of the gentleman from Iowa?

There was no objection.

Following is the letter referred to:

INTERSTATE COMMERCE COMMISSION,  
Washington, February 18, 1924.

Hon. L. J. DICKINSON,  
House of Representatives.

MY DEAR CONGRESSMAN: At the hearing before the War Department section of the Committee on Appropriations on February 15 you brought to my attention certain matters in connection with transportation charges at New York Harbor. I told you that this commission had under way some investigation of the port situation at New York in connection with the Port of New York Authority, and that I would let you know the nature and status of this proceeding. I find that the facts are these:

Primarily at the suggestion of the Port of New York Authority, a corporate body, we entered an order under date of December 11, 1922, instituting on our own motion an investigation into the plans of such corporation with respect to the betterment of transportation facilities at the port of New York, and to determine what, if any, order in the premises may, or should, be entered by us. I inclose herewith a copy of the order instituting the investigation.

The Port of New York Authority was organized, as will be seen from the inclosed copy of a letter, under treaty entered into between the States of New Jersey and New York, and subsequently approved by the Congress. Broadly speaking, the purpose of the organization is to investigate the needs of the harbor of New York from a transportation standpoint, and to recommend, and effectuate so far as practicable, a plan and system for the improvement of transportation facilities at that port. The inclosed letter gives in detail the various steps taken in the organization of this corporation and sets forth in general terms its plans.

The general scope of the plan which the port authority has in mind, as I understand it, involves the following principles:

"1. That terminal operations within the port district, so far as economically possible, should be unified.

"2. That there should be consolidation of shipments at proper classification points so as to eliminate duplication of effort and inefficient loading of equipment and realize reduction in expenses.

"3. That there should be the most direct routing of commodities so as to avoid centers of congestion, conflicting currents of traffic, and long truck hauls.

"4. That terminal stations established under the comprehensive plan should be union stations, so far as practicable.

"5. That the process of coordinating facilities should, so far as practicable, adapt existing facilities as integral parts of the new system, so as to avoid needless destruction of existing capital investment and reduce, so far as may be possible, the requirements for new capital; and that endeavor should be made to obtain the consent of local municipalities within the port district for the coordination of their present and contemplated port and terminal facilities with the whole plan.

"6. That freight from all railroads should be brought to all parts of the port wherever practicable without breaking bulk, this necessitating tunnel connection between New Jersey and Long Island, and tunnel or bridge connections between other parts of the port.

"7. That there should be urged upon the Federal authorities improvement of channels so as to give access for that type of water-borne commerce adapted to the various forms of development which the respective shore fronts and adjacent lands of the port best lend themselves to.

"8. That highways for motor-truck traffic should be laid out so as to permit the most efficient interrelation between terminals, piers, and industrial establishments not equipped with railroad sidings and for the distribution of building materials and many other commodities which must be handled by truck, these highways to connect with existing or projected bridges, tunnels, and ferries.

"9. That definite methods for prompt relief should be devised which can be applied for the better coordination and operation of existing facilities while larger and more comprehensive plans for future development are being carried out."

(The foregoing was taken from a publication quoting from a statement of counsel for the port authority made at the hearing.)

The comprehensive plan, so called, of the port authority was submitted to the two State legislatures and received their approval. The port authority was empowered, to the extent that the States could empower it, to proceed with the effectuation of its plan. Since it involved matters over which the Federal Government had control, the plan was submitted to the Congress, and by joint resolution consent was given to the carrying out of such plan, subject to existing Federal laws and Federal agencies.

The legislative act authorizing the port authority to proceed toward the accomplishment of the plan emphasized the point that such progress should be made as might be found to be "economically practicable."

The port authority had determined that the step most practicable at the present time is the unification of Belt Line No. 13, so called, in its comprehensive plan, which at present consists of the rails of several carriers extending from about Edgewater, N. J., on the north to Bayonne and Constable Hook on the south. Hearings were held under the order of investigation jointly with the port authority and testimony was presented by engineers of the latter and by the railroads with a view to determinations (1) on the part of the port authority, whether the plan was "economically practicable," and (2) on the part of this commission, whether under the interstate commerce act any action is warranted or necessary on our part. The hearings were conducted by division 5 of the commission. At the conclusion of the second hearing the chairman of the division recommended that the carriers and port authority appoint a joint committee to see whether plans acceptable to all concerned can not be worked out. We are now, I believe, awaiting a report from this committee.

I do not understand that there is any special act of Congress giving us jurisdiction over the work of the port authority. Such jurisdiction as we have is embraced in the interstate commerce act, and it appears that there has already developed a difference of opinion among the parties to the proceeding as to whether or not we have any authority in the premises.

I am inclined to think that the proceeding which I have described above does not cover the matters which you had in mind. If you will let me know just what these are, I shall be glad to procure any further information that is available.

Very truly yours,

JOSEPH B. EASTMAN, Commissioner.

Mr. DICKINSON of Iowa. It seems to me that with the vast tonnage going through New York Harbor and the vast tonnage that they have there, plans should be worked out by which that tonnage may be advanced, and we have various plans in this report prepared by the authorities and we ought to have some means devised by legislation whereby the consumer and the shipper can be protected by having those charges supervised and to see that they are not excessive.

Another phase of this bill is the question of improvement of the barge system maintained both on the Mississippi River and on the Warrior River. Both of these systems have run at a loss, but I believe that the Government is warranted in continuing the experiment. Why? Because it exerts a certain influence on freight rates, in the first place, and in the second place it is gradually developing into a successful operation.

Mr. HILL of Maryland. Mr. Chairman, will the gentleman yield there for a question?

Mr. DICKINSON of Iowa. Yes.

Mr. HILL of Maryland. I would like to ask the gentleman a question about the Warrior River. Does he think the Warrior River project will ever develop into a real carrying project with benefit?

Mr. DICKINSON of Iowa. Yes; and I think the reason it is not successful at the present time is very apparent. The Warrior River has at the upper end the Birmingham mines, a great coal deposit up there. That coal is carried down the Warrior River and is distributed through the South. The fact that the barge system on the Warrior River is not successful at the present time is, in my judgment, due to the fact that they have not the proper kind of equipment in order to carry that traffic. Their equipment was the equipment left over as the result of war experiments. It is not adapted to that purpose. I do not know whether they will be able to dredge out the river so that they can carry this size of barges, but if they make a channel with the proper width and depth there is no reason why that traffic should not be carried.

Now, many say, "Why do they not run the barge system at a profit on the Mississippi River?" At the present time it is due primarily to the fact that they have a stretch of river near Memphis where they have had trouble all the season to maintain the channel on account of the accumulation of sand. They have at Cairo another section where they are asking for a little additional money this year in order to maintain that system. I believe that between St. Louis and St. Paul they are going to be able to maintain a shallow barge system that will success-

fully carry traffic up and down the Mississippi River. I know this has been a dream of many years. All the old packet boats have been driven off the Mississippi River. Why? We have passed through the era of railroad development. We must now seek a more economical means of transportation. We have got to go back to the old system provided by the Maker when He made this country, and we must take advantage of some of the waterways that we have here in order to economize in transportation. It seems to me this is important and that we should be able to develop that river so that it will carry traffic and carry it on schedule. With the establishment of the Henry Ford distributing point at Minneapolis and St. Paul they are going to put on a set of barges that will run in shallow water between St. Louis and St. Paul. However, we have been dealing with this barge traffic only a short time. Some of the barges seem to be too large to make the turns in the river, and for that reason there are a great many of these phases that have to be gradually worked out, and I believe they will be successfully worked out in the near future. I take it that the committee will approve the item for the improvement of river and harbors.

Now, there are increased items in this bill; they are liberal, too.

One of them to increase the fortifications of the Panama Canal and the Hawaiian Islands, and the other to increase the number of horses and mules in the Army.

We have had a good bit of discussion about these two items. Now, first, as to the big guns to protect the mouth of the Panama Canal on both the Pacific and Atlantic side. There were some on the committee who thought we ought to put in only two, one on each side, one on the Pacific side and one on the Atlantic side, while there were others who thought we ought to put in four. Those in favor of the four had the larger number of votes, and for that reason four are provided for in the bill.

I believe the Panama Canal is becoming immensely important to this country and, of course, it should be properly protected. I was one of those who thought that two guns would be sufficient, but we have the guns on hand and the matter of their installation is not of sufficient financial importance to prevent their installation, and for that reason I shall make no effort to try to reduce the amount which is carried for this additional equipment for the Panama Canal.

Mr. BARBOUR. Will the gentleman yield?

Mr. DICKINSON of Iowa. Yes.

Mr. BARBOUR. It was also brought out, as I recall, that the relative cost of installing the four guns would be relatively less than that of installing two guns; that is, the relative cost.

Mr. DICKINSON of Iowa. Yes; for the reason that it is necessary to build railroad tracks and make the necessary preparations to put in one gun and that you can use the same equipment for the second gun.

Mr. BARBOUR. That is the idea.

Mr. HULL of Iowa. Will the gentleman yield?

Mr. DICKINSON of Iowa. Yes.

Mr. HULL of Iowa. This is to be a fixed fortification, is it not?

Mr. DICKINSON of Iowa. Yes.

Mr. HULL of Iowa. And it is to be placed as high as we can place it and so it will be easily hit.

Mr. DICKINSON of Iowa. Oh, no; it is not to be placed in a high altitude, as I understand it.

Mr. HULL of Iowa. But it is to be placed on the highest place that can be found there, is it not? That is, the land on which it is to be placed is the highest to be found there?

Mr. DICKINSON of Iowa. That is not my understanding.

The CHAIRMAN. The time of the gentleman has expired and all time has expired. The Clerk will read the bill.

The Clerk read as follows:

#### CONTINGENCIES OF THE ARMY.

For all contingent expenses of the Army not otherwise provided for and embracing all branches of the military service, including the office of the Chief of Staff; for all emergencies and extraordinary expenses, including the employment of translators and exclusive of all other personal services in the War Department or any of its subordinate bureaus or offices in the District of Columbia, or in the Army at large, but impossible to be anticipated or classified; to be expended on the approval or authority of the Secretary of War, and for such purposes as he may deem proper, \$68,540: *Provided*, That not to exceed \$49,040 of the money herein appropriated shall be expended for the payment of salaries of civilian employees connected with the sale of war supplies and the adjustment of war contracts and claims: *Provided further*, That none of the funds appropriated in this act shall be used for the payment of expenses connected with the transfer of surplus property of the War Department to any other activity of the Government where the articles or lots of articles to be transferred are located at any place at which the

total surplus quantities of the same commodity are so small that their transfer would not, in the opinion of the Secretary of War, be economical: *Provided further*, That the amount expended or obligated for advertising sales of surplus War Department property during the fiscal year 1925 shall not exceed \$50,000.

Mr. JOHNSON of Kentucky rose.

The CHAIRMAN. For what purpose does the gentleman from Kentucky rise?

Mr. JOHNSON of Kentucky. I wish to make a motion to strike out the last word for the purpose of asking unanimous consent to insert an explanation in the Record.

The CHAIRMAN. The Chair will recognize the gentleman for that purpose.

Mr. JOHNSON of Kentucky. Mr. Chairman, the other day, in my remarks on this bill, I stated that there had been a very unnecessary duplication of work relative to the making of maps. Colonel Naylor came over to my office this morning to see me and said that there was a misunderstanding about the matter because of unexplained conflicting testimony between himself and General Smith, who is out in Kansas. I believe the explanation is satisfactory, as offered by Colonel Naylor, and I wish to insert his analysis of it in the Record for the purpose of clearing up whatever conflict of testimony there may be between them.

The CHAIRMAN. The gentleman from Kentucky asks unanimous consent to extend his remarks in the Record in the manner indicated by him. Is there objection? [After a pause.] The Chair hears none.

The matter referred to follows:

The principal function of the map section of the Military Intelligence Division is the preparation and distribution of maps of foreign countries not produced by any other department of the Government. No map is produced that can be obtained from any other Government department. In the preparation of these maps the major part of the work consists in the accumulation of the data and the extending of it by experienced draftsmen on the tracings from which maps are subsequently run off. In nearly all cases it takes months of intensive work by these draftsmen in preparing these tracings. Due to the fact that there is no printing plant directly under the Military Intelligence Division call is made upon the engineering lithographing plant at Washington Barracks, and on occasion the Geological Survey, which also has a printing plant, to go through the mechanical process of running off the map on their presses when once the Military Intelligence Division has prepared the necessary tracings. These plants are reimbursed for the cost. If the Military Intelligence Division had a printing plant it could do this itself. No calls are made upon any other department of the Government for maps of this kind.

In order to prevent a duplication, when maps are called for of continental United States or the insular possessions, the request is referred to the appropriate department providing them.

The Military Intelligence Division also furnishes the necessary foreign maps for the course at the Army War College. The map section of the Military Intelligence Division has quite an extensive photographic plant so that it can make its own photographic copies and does not have to call upon other departments of the Government the same as in the case of printing of maps.

It has actually distributed maps of its own compilation or photographic copies of maps which could not be procured from any other source during the period of the fiscal year 1922-23, plus four months, approximately 30,000 copies, and foreign prepared maps for which it is the sole source, 9,763 copies.

Mr. REECE. Mr. Chairman, I offer an amendment.

The CHAIRMAN. The gentleman from Tennessee offers an amendment, which the Clerk will report.

The Clerk read as follows:

Amendment offered by Mr. REECE: Page 5, line 1, strike out the figures "\$68,540" and insert "\$63,540: *Provided*, That the Secretary of War be, and he is hereby, directed and authorized to transfer to the Department of Agriculture for use in improvement of highways and roads the following war materials, equipment, and machinery out of the reserve stocks, to wit: Fifteen hundred 5-ton caterpillar tractors, with tools and spare parts; 5,000 motor trucks, 1 to 5-ton capacity, and 500 ordnance mobile machine-shop trucks, with tools and spare parts."

Mr. DICKINSON of Iowa. Mr. Chairman, I reserve a point of order against the amendment.

Mr. REECE. Mr. Chairman, I would prefer that the gentleman make his point of order.

Mr. DICKINSON of Iowa. I make the point of order on the ground that it is legislation and that legislation of this kind should go to the proper committee and not be put on an appropriation bill on the floor of the House.

Mr. REECE. Mr. Chairman, the Chair will notice that the amendment limits the appropriation, reducing it from \$83,540 to \$63,540, and in order to do that I have provided in the amendment that the War Department turn over certain surplus war material, which they are now holding in reserve as surplus, to the Department of Agriculture to be used for road-building purposes.

In order to store this material, which is being held as surplus, it is, of course, necessary that certain employees be paid by the department to take care of it; storage must be paid for and men must be kept on the pay roll in order to go out and turn over the motors in the trucks and tractors so as to keep them from jamming up with rust. By turning this material over to the Department of Agriculture and putting it into use we are thereby able to reduce the appropriation and, in my judgment, it seems to be a limitation.

Mr. TAYLOR of Tennessee. Will the gentleman yield?

Mr. REECE. Yes.

Mr. TAYLOR of Tennessee. Where is this surplus war material stored at this time?

Mr. REECE. It is stored at various Army camps throughout the country and in practically all sections of the country. A number of the trucks are stored at Camp Holabird, and I have here pictures of the trucks showing some of them sitting out in the weather. They are deteriorating very rapidly, in fact. The wooden parts of the trucks are practically all gone and only the metal parts remain; but still they are valuable to the Department of Agriculture for road-building purposes, because the wooden parts can be restored.

Mr. TAYLOR of Tennessee. Is there any objection on the part of the War Department to allowing these trucks to be transferred and used by the road bureau of the Agricultural Department?

Mr. REECE. I might say to my colleague that the War Department heretofore has been given authorization to turn over certain surplus war material; but they have done so with reluctance, it seems, and they insist on holding a large quantity of this machinery in storage. This amendment not only authorizes but directs the Secretary of War to turn it over.

Mr. McKENZIE. Will the gentleman yield?

Mr. REECE. Yes.

Mr. McKENZIE. Of course, we understand there is a law now providing that where the Army or the War Department declares certain of these articles surplus they are turned over to the Department of Agriculture. I think I understand my colleague's position, and there is some force in what he has said, that we have very large reserves, and the purpose of his amendment is to undertake to go into those reserves and require them to declare the reserves surplus, or a part of them, and then they would be allotted to the Department of Agriculture.

Mr. HILL of Maryland. Will the gentleman yield for a question?

Mr. REECE. Yes, sir.

Mr. HILL of Maryland. I would like to ask the gentleman from Tennessee if it is not a fact that the representative of the War Department who appeared recently at a hearing before the gentleman's committee, the Committee on Military Affairs, in reference to a bill of the same tenor as the amendment which the gentleman offers, did not state that none of the proposed material was surplus but all of it would be needed in case of a national emergency?

Mr. REECE. If I remember correctly, he stated that they had in reserve the quantity of material provided for in this amendment. He said, however, that these caterpillar tractors and machine-shop units were being held in reserve possibly to be distributed to certain reserve units provided for in the national defense act. But I might add that these tractors are rapidly becoming obsolete. Since these tractors were manufactured there have been several new designs that have come out, and if I am advised correctly the War Department has recently given an order for the purchase of 20 new 5-ton caterpillar tractors because of the fact that these others are obsolete.

Mr. DICKINSON of Iowa. Mr. Chairman, I would like to suggest that all this is with reference to the merits of the amendment and not to the point of order. My point of order is that it is not germane and that it is legislation. If it is germane, then we are willing to discuss the merits of the amendment.

The CHAIRMAN. The Chair understands it is claimed to be in order under the Holman rule, and the Chair understood it was being discussed along that line, as to whether it was a retrenchment.

Mr. REECE. That is correct, Mr. Chairman. I was attempting to bring out the point that by making certain dispositions

of this material we would be able to reduce the expenditures provided in the bill.

Mr. HILL of Maryland. Mr. Chairman, a parliamentary inquiry on the point of order.

The CHAIRMAN. The gentleman will state it.

Mr. HILL of Maryland. On what expenditure is the proposed amendment intended to be a limitation? I submit it is not a limitation but is entirely new legislation.

Mr. CARTER. The gentleman does not claim it is a limitation. The gentleman claims it is in order under the Holman rule.

Mr. REECE. If I may add, certain parts of the appropriation provided for in this section must of necessity go to the upkeep of this material.

Mr. DICKINSON of Iowa. No; Mr. Chairman, there is nothing on the face of this bill that shows that tractors are kept or that the officials employed under this item have to do with taking care of tractors, and that being the case I contend it does not come within the purview of the Holman rule at all.

Mr. CRISP. Has the Chair made up his mind on the proposition?

The CHAIRMAN. The Chair would like very much to hear the gentleman from Georgia. The Chair was looking up some of the decisions in connection with the argument on the point of order.

Mr. CRISP. Mr. Chairman, I knew nothing of this amendment until the gentleman from Tennessee offered it and it was read at the clerk's desk, but from the reading of it, I was convinced that the gentleman had offered it to come within the purview of the Holman rule. Under our rules no legislation is in order on an appropriation bill unless it comes within the Holman rule, which provides that legislation is in order provided it reduces the number of employees of the Government or if it reduces the number of salaries or if it retrenches expenditures.

Mr. DICKINSON of Iowa. Will the gentleman yield?

Mr. CRISP. Yes.

Mr. DICKINSON of Iowa. Can that be presumed or be a matter of conjecture, or must it show?

Mr. CRISP. It must be apparent, and as I caught the reading of this amendment it shows that on its face. This amendment as read reduces the appropriation covered in the bill from \$68,000 to \$63,000, which shows on its face a reduction of the money appropriated and covered by the bill of \$5,000, which clearly, so far as that reduction is concerned, comes within the Holman rule. The question now arises as to whether the legislation is necessary and germane and, as a direct result, following and connected up with the reduction.

The CHAIRMAN. The Chair would like to hear the gentleman on that very point.

Mr. CRISP. I was coming to that. I was stating the rule. I am not familiar with this bill, and to be perfectly frank, I do not know what item in the bill it is offered to, but I asked the gentleman from Tennessee [Mr. REECE] a moment ago if his amendment was offered to the item in the bill that covered the taking care of these tractors, automobiles, and so forth, that are dealt with in the amendment, proposed to be turned over to the State highways departments, and he said it was.

Mr. REECE. Will the gentleman yield?

Mr. CRISP. Yes.

Mr. REECE. I might call the gentleman's attention to another proviso, a little further down in this section, which provides "that none of the funds appropriated in this act shall be used for the payment of expenses connected with the transfer of surplus property of the War Department to any other activity of the Government," showing that it is contemplated in this measure that probably certain material may be transferred.

Mr. CRISP. I count myself happy in having a gentleman in the chair who is familiar with the military activities and familiar with the various appropriations and bureaus of the War Department, because for many years he was a very able and efficient member of the Military Affairs Committee.

If the amendment is offered to an appropriation in the bill that deals with the maintenance and care of this property that is provided to be turned over to the highway departments, tractors, trucks, and so forth, then, Mr. Speaker, the legislation is germane and necessarily connected up and follows with the reduction, because if you dispose of 1,500 tractors and a number of trucks naturally the expense of maintenance and caring for them is less than it would be if the Government retained them.

Therefore, you can consistently, legitimately, and logically reduce the amount of the appropriations provided for care and maintenance. If that is true—and I am frank to say I

am not familiar with the items in the bill—then it seems to me clearly the amendment is in order under the Holman rule, because it reduces expenses and the legislation proposed is directly connected up with the reduction.

The CHAIRMAN. Let the Chair get at the facts. This appropriation of \$68,540 is carried in the appropriation bill:

For all contingent expenses of the Army not otherwise provided for and embracing all branches of the military service, including the office of the Chief of Staff; for all emergencies and extraordinary expenses, including the employment of translators and exclusive of all other personal services in the War Department or any of its subordinate bureaus or offices in the District of Columbia, or in the Army at large, but impossible to be anticipated or classified; to be expended on the approval or authority of the Secretary of War, and for such purposes as he may deem proper.

That is rather general in its terms.

Mr. ANTHONY. None of the money appropriated goes to the upkeep and care of these articles that the gentleman from Tennessee is seeking to turn over from one department to another, and so it is apparent to me that it would not reduce this item by one cent.

Mr. REECE. Will the gentleman state what provision in the bill does provide for the upkeep of this material?

Mr. ANTHONY. I think one of the ordnance items a little further on.

Mr. REECE. I have examined the bill carefully and I do not see where an appropriation of this kind could be used. In the previous Army appropriation bill the question has arisen under this same section. You have a further proviso relating to surplus material—

Mr. ANTHONY. That is in regard to the transfer of material heretofore authorized, and was placed there so that the Secretary of War would not be called upon to use money for contingent purposes.

Mr. REECE. The money must be provided in the bill somewhere for this expense to which I refer. I have examined the bill carefully in its various sections and I can not find it.

Mr. ANTHONY. The only item I can think of is the item for the care of ordnance material.

Mr. REECE. Some of this is in the quartermaster department.

Mr. ANTHONY. Then the item with reference to transportation covers it.

Mr. REECE. But a part does not come under the item of transportation.

The CHAIRMAN. The Chair is ready to rule. The Chair has no hesitation as to the principle of parliamentary law applicable here, which has been so very clearly stated by the gentleman from Georgia [Mr. Criss]. The only difficulty is in the application of those principles and the rules to the facts in the case. This seems to be an appropriation for contingent expenses of the Army. The present occupant of the chair has some familiarity with appropriations for contingent expenses for the different departments of the Government, and especially with contingent expenses of the Army. Having that knowledge it seems to the Chair that it would be straining a point to assume that any of the expenses referred to would come out of this particular appropriation. Of course, if the appropriation does not relate to the same subject as the legislation proposed in the amendment, as the gentleman from Georgia has said, it would not be in order under the Holman rule.

Mr. REECE. Will the Chairman, or the chairman of the subcommittee state what section does provide for this upkeep?

The CHAIRMAN. It is not the province of the Chair to furnish this character of information but it seems that the gentleman from Kansas has indicated at least two places in the bill where the upkeep of the property referred to may be provided for. It seems to the Chair clear that the expense of the upkeep of this material is not paid from this particular appropriation. The proposed legislation apparently does not relate to the appropriation item in the bill to which it is offered as an amendment and therefore is not in order under the Holman rule. The Chair sustains the point of order.

Mr. WAINWRIGHT. Mr. Chairman, I move to strike out the last word. On Saturday last there was considerable criticism of auctioneers' fees in the sale of surplus material and the methods of advertising. It is generally recognized that the auction method is probably the wisest way in which to dispose of surplus property, and particularly during the last two and a half years that method has been as far as possible employed. That has resulted undoubtedly in better prices than could otherwise have been secured. I think that can be reasonably established. I think it will be agreed that if the Government is going into commercial business it must adopt some-

what commercial practices. The impression was given here that the auction sales of Government material involved merely the auctioneers standing upon an auction block and calling out in the familiar way, but that creates a false impression.

The auctioneering of these materials involves a very elaborate process. The auctioneer must have an elaborate organization. He must employ numerous persons, and it requires two or three weeks before the auction sales that they shall attend at the place where the sale is to be held for the purpose of classifying, sorting, and tagging the property.

Mr. DOWELL. Will the gentleman yield?

Mr. WAINWRIGHT. I will, but I have only five minutes.

Mr. DOWELL. Does the gentleman think the prices for auctioneering this material are reasonable?

Mr. WAINWRIGHT. I do; and I am coming to that if the gentleman will permit me to continue.

Mr. JOHNSON of Kentucky. Will the gentleman yield?

Mr. WAINWRIGHT. Yes.

Mr. JOHNSON of Kentucky. May I ask the gentleman whether or not any part of these sales came under his immediate attention or control at the time he was serving as Assistant Secretary of War?

Mr. WAINWRIGHT. Yes, they did, they came under my general jurisdiction. I can not profess to a very great familiarity with the details of the matter.

Mr. DOWELL. Mr. Chairman, may I ask the gentleman one other question. I shall try to have the gentleman get further time. I think this question ought to be gone into. The gentleman was assistant Secretary of War, and ought to be familiar with it, and the gentleman was there in the War Department when they were paying what I think are exorbitant prices for auctioneers.

Mr. WAINWRIGHT. Well, I have given way for a question and not for a statement.

Mr. DOWELL. I want to find out about that.

Mr. WAINWRIGHT. I think I can disabuse the gentleman's mind of that impression.

Mr. DOWELL. I do not think the gentleman can, so far as the price is concerned. Was any effort made aside from these organizations the gentleman has referred to, to sell this property at reasonable prices by persons who were in the business and who would do it for a reasonable compensation?

Mr. WAINWRIGHT. All the effort to sell this property by negotiated sale or even by offers on sealed bids were not satisfactory. They led to dissatisfaction upon the part of the buyers generally. It was finally determined that the only way, the proper way, to merchandise this property was to put it up on the auction block so that everybody in the world could have an opportunity to purchase it.

Mr. DOWELL. I would like to ask the gentleman one further question. By putting it on the auction block the gentleman does not mean that they would want to pay the man who auctions it off an unreasonable price simply because he was selling at auction.

Mr. WAINWRIGHT. By no means. That question answers itself. All I say is this, that if the Government goes into the commercial business, and certainly the disposal of these great blocks of material involve a great business transaction—

Mr. WURZBACH. Mr. Chairman, will the gentleman yield?

Mr. WAINWRIGHT. Yes.

Mr. WURZBACH. Is it not a fact that a great deal of the surplus property had been sold by private negotiations shortly after the present Secretary of War was appointed?

Mr. WAINWRIGHT. Before the present administration I think the method of sale by sealed bids or negotiations was very much more liberally followed than it has been under the present administration. There were some few sales by that method in the early part of this administration, but latterly wherever possible the auction method has been pursued.

Mr. WURZBACH. Is it not a fact that complaints were made in respect to the methods of sale by private negotiation?

Mr. WAINWRIGHT. I hope the committee will not tie me down to the five-minute limitation if all these questions are to be asked.

Mr. WURZBACH. I do not want to take the gentleman's time.

Mr. WAINWRIGHT. The total fees involved in the criticism amounted to \$1,188,760. These fees related to sales which produced gross receipts amounting to \$74,984,942.12. A little figuring will show that that represents an expense of 1.59 for the auctioneer. I have been reliably informed that many of these auctioneers have to pay in necessary expenses of sale that fall upon them up to 70 per cent of the amount of their fees. Assuming that it is 50 per cent, then the total net re-

turns of the auctioneers would be about three-quarters of 1 per cent. It is my understanding that the average rate paid to auctioneers for merchandising this class of property—and I am now referring to the merchandise sale particularly—range from 5 per cent to 10 per cent, depending on the locality, custom, or the law in force.

The CHAIRMAN. The time of the gentleman from New York has expired.

Mr. CRISP. Mr. Chairman, I ask unanimous consent that the gentleman's time be extended for 10 minutes.

The CHAIRMAN. Is there objection?

There was no objection.

Mr. ROGERS of Massachusetts. Mr. Chairman, will the gentleman yield?

Mr. WAINWRIGHT. Yes.

Mr. ROGERS of Massachusetts. I want to know whether this statement in the remarks of the gentleman from Kentucky on Saturday last is correct:

The testimony showed that the auctioneer did not pay for the advertising nor for any other expense incident to the sale. The compensation allowed the auctioneer in every instance was merely for saying, "How much am I offered for this piece of property?"

Mr. WAINWRIGHT. Oh, that gives an entirely wrong impression. It is quite incorrect.

Mr. JOHNSON of Kentucky. If the gentleman will pardon me right there, my declaration upon that subject is based on what the Director of Sales testified to before the committee.

Mr. WAINWRIGHT. Then I say to the gentleman that either the Director of Sales was in error or the gentleman from Kentucky misunderstood him, because the expense of printing these catalogues, some of them running up to \$15,000, which are sent all over the country, and the expenses I have described, preliminary to the sale, having people out through the crowd during the sale, the checkers, the recorders during the sale, the bookkeepers, amounted to a very considerable sum. I venture to say that at one large auction sale at the Brooklyn base the auctioneer would have a personnel of 75, whose compensation would have to come out of his fee.

Mr. JOHNSON of Kentucky. And how many million dollars would that help amount to?

Mr. WAINWRIGHT. Take it in this way: On the total of \$1,188,000, if the expense is 50 per cent, it would be 50 per cent of \$1,188,000.

Mr. HILL of Maryland. Mr. Chairman, will the gentleman yield?

Mr. WAINWRIGHT. Yes.

Mr. HILL of Maryland. I have just received a letter from Mr. Fox together with a statement. I know nothing about the matter. The gentleman does know about it. After the gentleman concludes, I shall ask permission to read this letter and this statement.

Mr. WAINWRIGHT. The committee will notice that I am attempting to proceed as rapidly as possible, and I trust that they will indulge me until I get through. On the low rate paid it is a fact that many of the auctioneers in the larger places declined to take this business because the fee is less than the customary fee which they receive. I have in mind at least two cases of that kind. I know one case where a well-known auctioneer in New York City, probably the best-known auctioneer of real estate, declined one of these auction sales upon the ground that the return was so much less than his customary fee.

Mr. JOHNSON of Kentucky. Does the gentleman know how much the sale will realize, that particular sale?

Mr. WAINWRIGHT. I could not say; I do not recall. It was somewhat within this scale, I think. I will say to the gentleman that the rate on real estate, as I recall—I have not the figures for that—was very little more than the rate on merchandise. Now, the scale on merchandise, in the disposition of this vast amount of Army material, was established about two years ago and was about this: 6½ per cent on the first \$25,000, 2 per cent on the next \$25,000, 1½ per cent on the next, and 1 per cent on the next \$50,000, a quarter per cent on the next \$75,000, and a quarter per cent on all over \$200,000. The average auction sale on merchandise would yield about \$250,000, and the maximum gross fee, \$3,500, was 1½ per cent upon the total, and on a million-dollar sale at this rate the total fee would be \$5,375, or a per cent of 0.5375.

Mr. NEWTON of Minnesota. Will the gentleman yield?

Mr. WAINWRIGHT. I will.

Mr. NEWTON of Minnesota. The figures the gentleman has given in reference to the fees paid these auctioneers, can the gentleman inform the committee just how this compares with what are paid in civil life to an auctioneer?

Mr. WAINWRIGHT. I thought I had stated that they are very much less.

Mr. NEWTON of Minnesota. I did not hear the gentleman. Mr. WAINWRIGHT. The elements of cost involved in these auction sales are very much less than would occur in commercial practice.

Mr. BYRNS of Tennessee. Of course the gentleman takes into consideration that in this class of sales they are usually sold in bulk, so to speak.

Mr. WAINWRIGHT. No.

Mr. BYRNS of Tennessee. And not to be put on the same plane as auction sales held in stores and things of that sort?

Mr. WAINWRIGHT. I beg the gentleman's pardon, they send out a catalogue giving the sales, a pamphlet of some 50 or 60 pages, all classified in lots varying in size, and sometimes these sales take two or three days.

Mr. BYRNS of Tennessee. Is it not a fact that in these sales amounting to millions of dollars that the property was sold in bulk largely, sales amounting to thousands of dollars for each lot?

Mr. WAINWRIGHT. No; I do not think that would be a correct picture of it. That would occur, of course, in a case where the sale was of a large special lot of property offered at sale, but it would not apply at all to a sale by auction where the property is divided up into convenient lots.

Mr. CRISP. Will the gentleman yield for one question?

Mr. WAINWRIGHT. I will.

Mr. CRISP. Were there contracts made with these auctioneers by the Director of Sales?

Mr. WAINWRIGHT. They were made by the War Department—no; my impression and recollection would be that the actual contract was made by the surplus-property officer, or the officer in charge of the surplus-property sales of each of the seven bureaus. Now, to digress just a moment, the actual sale and the responsibility for the sale of surplus material is with each one of those bureaus. In the Quartermaster General's department it is the surplus-property officer, and he conducts the negotiations for the arrangement and makes the contract. The Director of Sales would probably approve of the contract.

Mr. CRISP. Here is what I was anxious to get from my friend, who is a distinguished ex-Assistant Secretary of War, and that is whether these contracts were made by the Director of Sales as a civilian employee or whether or not they were made by an Army officer?

Mr. WAINWRIGHT. That brings up an entirely different matter. There was until just before the commencement of this administration a civilian Director of Sales at a large salary and a civilian personnel involving a large salary list. That was all changed; so that since early in 1921 the whole of this selling function has been in the property officers of the Army in the various departments, and the Director of Sales since then has been an officer of the Regular Army.

Mr. STENGLE. Will the gentleman yield for just a question?

Mr. WAINWRIGHT. I will.

Mr. STENGLE. Will the gentleman explain why in advertising these sales the location was left out and the hour of the sale left out?

Mr. WAINWRIGHT. I recall that was referred to in the remarks. All I can say as to that is there certainly has been no complaint at the War Department that anybody had ever been deprived of the opportunity of purchasing by reason of any failure to give publicity in that regard.

Mr. STENGLE. How could a man go to a sale if he did not know where it was and when it was?

Mr. WAINWRIGHT. Well, the advertisement always plainly stated when catalogues would be furnished; and if anyone was interested in the sale, he could apply for the catalogue, which contained all the information as to time and place. Now, then, the gentleman who made this criticism divided these gross fees into 15 per cent for the last administration and 85 per cent for the present administration. I have had that looked into somewhat, and it works out about this way. The returns show, without any question, on these \$75,000,000 sales, which were not all the sales by any means, \$6,674,871.12 were in the last administration, the auctioneer fees amounting to \$170,193.85, or 2.55 per cent of the gross receipts; \$68,310,071 were in this administration, the commissions being \$1,018,576, or 1.48 per cent.

The CHAIRMAN. The time of the gentleman from New York has expired.

Mr. HILL of Maryland. Mr. Chairman, I ask unanimous consent that the gentleman be given an additional five minutes.

The CHAIRMAN. Is there objection to the request of the gentleman from Maryland?

There was no objection.

Mr. WAINWRIGHT. Now, with regard to the particular sales referred to by the gentleman from Kentucky [Mr. JOHNSON], I will insert in my remarks a detailed statement as to each.

May I say to the gentlemen of the House that if there is anyone who has any doubt in his mind or any question in regard to these matters, the answers and full information can easily be secured. The disposition of that bureau is to throw its doors wide open to anyone who wishes to inquire into its processes. I say without fear that any reasonable man could not establish it otherwise, that this function of the Government has been as clean as a hound's tooth, and that these processes have been conducted on an efficient plan and to the great advantage of the Government.

Mr. HILL of Maryland. Mr. Chairman, I rise in opposition to the pro forma amendment.

Mr. WAINWRIGHT. I am not through yet.

Mr. HARRISON. Mr. Chairman, will the gentleman allow me to ask him a question?

Mr. WAINWRIGHT. Yes.

Mr. HARRISON. Is there any difficulty in the War Department about having somebody in the War Department itself conduct these sales?

Mr. WAINWRIGHT. It seems to me the answer is patent. It is not the business of the officers of the Army to do this.

Mr. HARRISON. I am not talking about officers. I mean the civilian employees. Why should we go around with these expensive auctioneers when some employees in the War Department could do the same thing?

Mr. WAINWRIGHT. The difficulty is that it is a highly specialized function. It requires experts, and in dealing with the subject the War Department has been justified in pursuing the course it has.

Mr. ROGERS of Massachusetts. Mr. Chairman, will the gentleman yield?

Mr. WAINWRIGHT. Yes.

Mr. ROGERS of Massachusetts. Is it not a fact that only since the beginning of the gentleman's régime in the War Department the auction system embracing the sales system has been restored?

Mr. WAINWRIGHT. No. I will say that the auction method has been the usual method of selling surplus property. It is a fair statement, I think, that formerly negotiated sales and sales upon sealed bids were more usually employed than the sale by public auction.

Mr. SNELL. Has the gentleman brought out in his remarks so far the percentage of cost of sales in the last administration as compared with the former?

Mr. WAINWRIGHT. Yes.

Mr. SNELL. You have that in your statement?

Mr. WAINWRIGHT. Yes.

Mr. STENGLE. Mr. Chairman, will the gentleman yield?

Mr. WAINWRIGHT. Yes.

Mr. STENGLE. Will you not insert in the Record, from the information you have, a list of the papers in which these advertisements appeared, together with their claimed circulation?

Mr. WAINWRIGHT. I will submit that if it is practicable. That, like any other information desired, can be furnished.

Mr. WEFALD. I understood also that these auctioneers paid for the advertising. How did it come to happen that they did not advertise the location of the sale?

Mr. WAINWRIGHT. I think that question has already been asked and answered.

Some question was raised here as to whether these auctioneers had to bear any part of the advertising cost. Most of the advertising is done by the Government, and a small part of the advertising the auctioneer carries. He carries the cost of the putting up of the posters and distribution of the handbills and other matter of that kind that might fairly be classed as advertising.

Now as to this question of advertising, the present arrangement has been in force since 1919, supplementing a previous unsatisfactory system, which was not considered to have afforded purchasers or those who might be interested in this property an opportunity to bid upon it.

The CHAIRMAN. The time of the gentleman from New York has again expired.

Mr. WAINWRIGHT. May I have five minutes more to finish this subject?

The CHAIRMAN. The gentleman asks unanimous consent for five additional minutes. Is there objection?

There was no objection.

Mr. WAINWRIGHT. Now there were three methods open to the Government to handle this advertising. One was to draw experts from the advertising field and place them on the pay roll as Government employees. The salaries required made this impracticable; and besides, had that been done, that expense, according to the practice of the newspapers, would not have been borne or assumed by them. Another plan was to employ an advertising agency, where the usual expense of 15 per cent upon the total advertisement would have been borne by the publication. The objection to that was really raised, as I understand, by the newspapers themselves. The other plan was to permit the newspapers themselves to put in the office of the Director of Sales, or in the sales department, a group of their own people who were skilled advertising people, and pay them themselves; people who could make up the copy and the layout and illustrations and everything that was required, and give the people in the department the benefit of their skill.

Now, that method was adopted and it led to the appointment of what was known as the "surplus property committee," which was appointed by organizations representing about 75 per cent of the newspapers and trade journals of the country. This was a committee that operated entirely without pay, as a sort of co-operative service bureau of the news and trade papers. They selected or appointed these people who had been in the sales office preparing the advertisements. The expenses and salaries of these people were borne by the newspapers through an assessment pro rata upon the newspapers carrying the advertisements, the figuring of the assessments and the collection from the newspapers being carried out by this committee.

Mr. STENGLE. Did that committee fix the space limits of the advertisement, or did the department?

Mr. WAINWRIGHT. Not at all. This committee had nothing to do with the selection of the publications nor with the actual placing of the advertisements and the amount of the space occupied. That has been retained in the control of the officers of the department itself, and I may say has been very jealously guarded.

Now, the result of this system has been a very much lower advertising cost.

It has cost the newspapers themselves less, and the Government has been spared the expense of preparing or writing the advertising copy.

Mr. JOHNSON of Kentucky. Does the gentleman say the Government has not been at any expense in paying for advertising?

Mr. WAINWRIGHT. Oh, not at all. I mean for the expense of this service.

Mr. JOHNSON of Kentucky. What service?

Mr. WAINWRIGHT. Of preparing the advertising matter. The expense of advertising has been, on the whole, about one-half of 1 per cent of the amount of the sales.

Mr. JOHNSON of Kentucky. But did not the arrangement permit a few men to go out and gather \$57,000 for themselves which could have been saved if the Government had placed these advertisements directly in the newspapers?

Mr. WAINWRIGHT. The Government does place them directly in the newspapers.

Mr. JOHNSON of Kentucky. But did not the newspapers pay approximately \$57,000 in order to get these advertisements, when they could have gotten them for nothing?

Mr. WAINWRIGHT. No; I do not think that is a correct statement of that.

Mr. JOHNSON of Kentucky. It is absolutely correct.

Mr. WAINWRIGHT. During the last year, as I recall, the amount was \$38,000. Of course, it has not been a payment by the Government. What the gentleman means is: Why did not the Government prepare these advertisements and assess them against the newspapers? The answer to that is that it is contrary to their practice.

Mr. JOHNSON of Kentucky. But it is a practice about which we are complaining, if the gentleman will permit the suggestion.

Mr. WAINWRIGHT. I will say that the department may be able to get along with the \$50,000 provided in this bill for next year's business, and I believe it can be done within that. This whole arrangement has been so advantageous to the Government, in my judgment, that I should rather hope it would not be changed.

Mr. STENGLE. Will the gentleman yield?

Mr. WAINWRIGHT. Yes.

Mr. STENGLE. Will the gentleman insert in the RECORD, while he is inserting other things, the rate per line per thousand circulation that is to be paid for this wonderful service?

Mr. WAINWRIGHT. I will say to the gentleman that I shall be glad to furnish that information, if it is practicable to do so.

Mr. STENGLE. The reason I ask that is this: Having had some experience in that line, the wonderful service the gentleman refers to as having been brought about by a board that was without the pale of the department has been included in that charge and the Government paid for it.

Mr. WAINWRIGHT. But I submit to any gentleman who has had business experience that an advertising rate of one-half of 1 per cent is a very, very low rate. I am told that the average rate for merchandise advertising runs from 3 per cent to 11 per cent.

Mr. STENGLE. Does the gentleman refer to one-half of 1 per cent per line or of the total sales?

Mr. WAINWRIGHT. I mean on the total sales.

Mr. STENGLE. The gentleman means on the results?

Mr. WAINWRIGHT. Yes.

Mr. STENGLE. But the average advertiser does not guarantee results.

The CHAIRMAN. The time of the gentleman has again expired.

Mr. HILL of Maryland. Mr. Chairman, I rise in opposition to the pro forma amendment.

The CHAIRMAN. The gentleman from Maryland is recognized.

Mr. HILL of Maryland. Mr. Chairman and gentlemen of the committee, we are all entirely in favor of conducting the activities of the War Department at the least possible expense, and I am sure there is no one on this side who less desires to cast imputations of unfairness on any of those who have been working for the Government than the gentleman from Kentucky [Mr. JOHNSON].

I have listened with a great deal of interest to the remarks of the gentleman from New York [Mr. WAINWRIGHT], the former Assistant Secretary of War. I have absolutely no personal knowledge of the matter and I have no personal knowledge of the auctioneers, except that I have known them by reputation in Baltimore for a long time.

I received a few moments ago by mail, sent over from my office, a letter from the auctioneers calling attention to certain points, and I think it is only fair to the House that I take a moment and present those matters. Here is a letter from M. Fox & Sons Co., auctioneers and liquidators, 202 Hearst Tower Building, Baltimore, Md.

Before reading this letter I think it is only fair that the committee should know that the employment of M. Fox & Sons Co., auctioneers, is not a new thing and dating from only a recent administration in the War Department, but that if there is any just criticism of these auctioneers or the system under which they were employed, that criticism should begin back in 1918 and should be made equally in those days if it is proper to be made now.

Back in 1918, on October 14, at Camp Meade (Admiral), Md., these auctioneers had charge of a sale at the remount station, amounting to \$7,294.50, and of which sale Maj. P. F. Meade was in charge. On November 5, 1918, at Camp Dix, Wrightstown, N. J., there was a sale of remount horses, mules, harness, and wagons amounting to \$11,189.50, of which Capt. J. D. Turnham was in charge, and on December 28, 1918, at Camp Meade (Admiral), Md., there was a sale amounting to \$5,704, of which Maj. P. F. Meade was in charge.

I have here a list of the sales which these people have made for the Government, and I ask unanimous consent that I have permission at this point to insert this list of sales in the RECORD for the information of the House, also the letters from the War Department in relation to these sales.

The CHAIRMAN. Is there objection to the request of the gentleman from Maryland? [After a pause.] The Chair hears none.

The list referred to follows:

WAR DEPARTMENT,  
OFFICE OF THE QUARTERMASTER GENERAL,  
Washington, January 30, 1923.

Mr. ROBERT FOX,  
213 Courtland Street, Baltimore, Md.

DEAR MR. FOX: I take pleasure in forwarding you this letter to bear testimony of your excellent work in the sale of over 40,000 surplus horses and mules for the United States Army. Your sales started in October, 1918, and have continued to practically the present date. I was personally present at most of the larger sales and can, therefore, state from first-hand knowledge that your work was efficient, thor-

ough, and highly satisfactory, as shown by the prices secured; and that you always had the interest of the Government at heart.

Your acquaintance and personal contact with all the large horse and mule dealers in the East, your extensive mailing list, and your correct system of advertising always insured a large attendance at sales, spirited bidding and, consequently, brought good prices.

Yours sincerely,

C. L. SCOTT,  
Major, Quartermaster Corps.

Remount division—Sales for the remount division included horses, mules, harness, and wagons.

Date.	Place of sale.	Amount.	Officer in charge.
1918.			
Oct. 14	Camp Meade, Admiral, Md	\$7,294.50	Maj. P. F. Meade.
Nov. 5	Camp Dix, Wrightstown, N. J.	11,189.50	Capt. J. D. Turnham.
Dec. 28	Camp Meade, Admiral, Md.	5,704.00	Maj. P. F. Meade.
1919.			
Jan. 3	Camp Dix, Wrightstown, N. J.	6,673.50	Capt. J. D. Turnham.
7	Camp Green, Charlotte, N. C.	339,493.00	Capt. B. R. Whitthorn.
7	Camp Meade, Admiral, Md.	59,369.00	Maj. P. F. Meade.
7	Camp Dix, Wrightstown, N. J.	61,667.50	Capt. J. D. Turnham.
9	Camp Jackson, Columbia, S. C.	13,878.66	Maj. J. R. Valentine.
14	Camp Upton, Yaphank, N. Y.	43,116.00	Capt. J. J. Byrne.
21	Camp Jackson, Columbia, S. C.	103,105.50	Maj. J. R. Valentine.
23	Camp Dix, Wrightstown, N. J.	74,866.50	Capt. J. D. Turnham.
28	Camp Meade, Admiral, Md.	120,190.00	Maj. P. F. Meade.
30	Camp Upton, Yaphank, N. Y.	95,093.50	Capt. J. J. Byrne.
Feb. 5	Camp Dix, Wrightstown, N. J.	81,600.50	Capt. J. D. Turnham.
7	Camp Wadsworth, Spartanburg, S. C.	164,512.00	Capt. P. J. Burdette.
10	Camp Jackson, Columbia, S. C.	152,448.00	Maj. J. R. Valentine.
12	Camp Lee, Petersburg, Va.	215,350.00	Maj. E. G. Cullem.
14	Camp Sevier, Greenville, S. C.	104,260.00	Capt. O. L. Overmeyer.
17	Camp Dix, Wrightstown, N. J.	59,237.00	Capt. J. D. Turnham.
17	Camp Wadsworth, Spartanburg, S. C.	122,000.00	Capt. P. J. Burdette.
19	Camp Green, Charlotte, N. C.	144,918.50	Capt. B. R. Whitthorn.
21	Camp Meade, Admiral, Md.	90,838.00	Maj. P. F. Meade.
28	Camp Wadsworth, Spartanburg, S. C.	67,195.00	Capt. P. J. Burdette.
Mar. 3	Camp Jackson, Columbia, S. C.	195,600.00	Maj. J. R. Valentine.
7	Camp Sevier, Greenville, S. C.	120,524.00	Capt. O. L. Overmeyer.
10	Camp Meade, Admiral, Md.	71,205.50	Maj. P. F. Meade.
19	Camp Jackson, Columbia, S. C.	125,180.50	Lieut. Col. A. E. Wilbourn.
28	Camp Meade, Admiral, Md.	49,880.50	Maj. P. F. Meade.
Apr. 23	Camp Lee, Petersburg, Va.	98,290.00	Maj. E. G. Cullem.
25	Camp Meade, Admiral, Md.	115,685.50	Maj. P. F. Meade.
28	Camp Upton, Yaphank, N. Y.	96,066.00	Capt. J. J. Byrne.
30	Camp Dix, Wrightstown, N. J.	51,626.50	Capt. J. D. Turnham.
May 2	Camp Devens, Ayer, Mass.	104,868.50	Lieut. Col. C. W. Neal.
June 17	do	13,164.50	Capt. Howard Farmer.
19	Camp Dix, Wrightstown, N. J.	12,254.00	Capt. J. D. Turnham.
21	Camp Meade, Admiral, Md.	15,860.00	Lieut. E. Raschke.
Aug. 11	Camp Dix, Wrightstown, N. J.	95,306.50	Capt. J. D. Turnham.
14	Camp Meade, Admiral, Md.	26,554.50	Lieut. E. Raschke.
18	Camp Upton, Yaphank, N. Y.	133,100.00	Capt. J. J. Byrne.
Sept. 22	Camp Lee, Petersburg, Va.	154,318.60	Lieut. Col. Robert Sterrett.
Oct. 21	Camp Meade, Admiral, Md.	85,221.25	Lieut. H. E. Hagan.
27	Fort Meyer, Fort Meyer, Va.	3,129.50	Maj. W. A. Gray.
Dec. 3	Camp Dix, Wrightstown, N. J.	534.50	Capt. J. D. Turnham.
6	Front Royal, Front Royal, Va.	13,502.50	Maj. M. G. Richardson.
11	Camp Meade, Admiral, Md.	4,357.50	Lieut. H. E. Hagan.
1920.			
Jan. 5	Camp Lee, Petersburg, Va.	45,023.50	Lieut. Col. Robert Sterrett.
May 10	do	17,065.00	Do.
June 28	do	53,212.00	Do.
July 27	do	5,047.50	Do.
Aug. 19	Front Royal, Front Royal, Va.	7,380.50	Capt. L. A. Beard.
Sept. 27	Camp Bragg, Fayetteville, N. C.	4,205.00	Maj. A. M. Reeves.
Oct. 21	Camp Meade, Admiral, Md.	870.00	Lieut. J. T. McKay.
Nov. 22	Camp Dix, Wrightstown, N. J.	29,052.00	Capt. L. Martin.
1921.			
Mar. 22	Camp Meade, Admiral, Md.	7,227.00	Lieut. J. T. McKay.
Apr. 18	Camp Jackson, Columbia, S. C.	30,562.50	Capt. E. Raeder.
July 5	do	3,521.00	Capt. J. W. Timmons, jr.

Remount division—Sales for the remount division included horses, mules, harness, and wagons—Continued.

Date.	Place of sale.	Amount.	Officer in charge.
1921.			
Aug. 2	Camp Lee, Petersburg, Va.	\$7,848.00	Capt. E. Berg
8	Camp Jackson, Columbia, S. C.	6,205.50	Lieut. Col. S. Coleman.
8	Raritan Arsenal, Metuchen, N. J.	2,909.00	Lieut. J. J. Breen.
12	Camp Dix, Wrightstown, N. J.	11,677.00	Capt. J. P. Neu.
22	Camp Jackson, Columbia, S. C.	85,562.00	Lieut. Col. S. Coleman.
26	Camp Meade, Admiral, Md.	78,473.50	Lieut. J. T. McKay.
Sept. 15	Ordinance Reserve Depot, Pig Point, Va.	1,719.00	Capt. Stuart Cooper.
15	do.	1,674.50	(U. S. Navy.)
16	Camp Lee, Petersburg, Va.	2,628.00	Capt. E. Berg.
26	Camp Eustis, Lee Hall, Va.	1,661.00	Capt. J. L. Corbett.
27	Walter Reed Hospital, Washington, D. C.	2,327.50	Capt. J. Van Ness Ingram.
Oct. 18	Army supply base, Norfolk, Va.	2,576.50	Capt. J. L. Slade.
Nov. 17	Camp Meade, Admiral, Md.	9,871.50	Maj. Geo. Luberoff.
21	Camp Jackson, Columbia, S. C.	23,697.00	Capt. John Fawcett.
23	Camp Dix, Wrightstown, N. J.	23,637.50	Maj. Emil Engel.
1922.			
Mar. 6	Army supply base, Norfolk, Va.	2,781.50	Capt. W. M. Pierce.
27	Camp Meade, Admiral, Md.	14,818.00	Lieut. J. T. McKay.
Sept. 29	Army supply base, Norfolk, Va.	1,410.00	Capt. W. M. Pierce.

WAR DEPARTMENT,

OFFICE OF THE QUARTERMASTER GENERAL OF THE ARMY,  
Washington, July 18, 1922.

M. Fox & Sons Co.,  
215 Courtland Street, Baltimore, Md.

GENTLEMEN: After close observation and personal contact extending over a period of more than one and one-half years in connection with your services as auctioneers at sales of surplus Government property I have no hesitation in stating that your work in that behalf has been capably and efficiently performed.

The manner in which these sales have been conducted by you speak of a high degree of capacity and ability in this field, and the results attained, as evidenced by the prices realized at these auction sales, have been uniformly favorable.

Your dealings with the Government and the purchasing public have been honorable, fair, and impartial, and I unhesitatingly recommend you to anyone needing the services of a successful and high-class auctioneer.

Truly yours,

L. E. HANSON,

Lieutenant Colonel, Quartermaster Corps,  
Chief, Surplus Property Division.

Surplus property division—Sales for the surplus property division included a wide range of commodities, such as clothing and equipage, textiles, subsistence, leather and harness, hardware, tools and machinery, electrical equipment and supplies, metals, paints, tobacco, household and office furniture, stationery and office supplies, water transportation material, general supplies, etc.

Date.	Place of sale.	Amount.	Officer in charge.
1920.			
June 11	Quartermaster depot, Baltimore, Md.	\$84,290.00	Maj. A. D. Hughes.
24	Army supply base, Norfolk, Va.	27,203.00	Lieut. Col. G. G. Bailey.
Dec. 2	Colgate Warehouses, Baltimore, Md.	15,246.70	Maj. W. E. Murray.
1921.			
Jan. 19	Army supply base, Brooklyn, N. Y.	169,977.14	Lieut. Col. J. R. Pouria.
Feb. 23	do.	264,392.00	Do.
Mar. 29	Colgate Warehouses, Baltimore, Md.	29,306.50	Maj. J. P. Keeler.
June 28	Army supply base, Norfolk, Va.	117,493.12	Capt. Ed. Berg.
July 1	Army supply base, Kearney, N. J.	88,396.77	Lieut. Col. J. W. Pouria.
28	Quartermaster depot, Philadelphia, Pa.	33,029.22	Maj. Chas. E. Jones.
Aug. 30	Army supply base, Brooklyn, N. Y.	1,266,009.88	Lieut. Col. J. R. Pouria.
Sept. 6	Colgate Warehouses, Baltimore, Md.	26,424.65	Capt. J. H. Dent.
13	Quartermaster depot, Washington, D. C.	15,717.27	Col. H. C. Bonnycastle.
20	General reserve depot, Schenectady, N. Y.	122,225.49	Capt. C. A. Kraus.
Oct. 6	General reserve depot, New Cumberland, Pa.	141,608.08	Col. G. G. Bailey.
11	Quartermaster depot, Pittsburgh, Pa.	65,283.50	Capt. T. R. Maul.
18	Army supply base, Norfolk, Va.	83,692.89	Capt. J. L. Slade.
31	Camp Lee, Petersburg, Va.	112,806.77	Capt. E. Berg.

Surplus property division—Continued.

Date.	Place of sale.	Amount.	Officer in charge.
1921.			
Dec. 15	Army supply base, Brooklyn, N. Y.	\$380,046.65	Lieut. Col. J. W. Pouria.
1922.			
Jan. 5	Colgate Warehouses, Baltimore, Md.	104,521.45	Capt. J. H. Dent.
9	General reserve depot, Schenectady, N. Y.	267,283.18	Capt. C. A. Kraus.
17	General reserve depot, New Cumberland, Pa.	44,067.95	Col. G. G. Bailey.
24	Quartermaster depot, Pittsburgh, Pa.	161,749.50	Capt. T. R. Maul.
Feb. 2	Army supply base, Norfolk, Va.	104,525.36	Capt. L. S. Woods.
8	Quartermaster depot, Washington, D. C.	50,090.13	Lieut. Col. C. O. Zollars.
24	Colgate Warehouses, Baltimore, Md.	20,887.98	Capt. J. H. Dent.
Apr. 19	Army supply base, Norfolk, Va.	89,098.30	Lieut. Col. J. R. Pouria.
25	General reserve depot, Schenectady, N. Y.	247,810.72	Capt. C. A. Kraus.
28	Army supply base, Boston, Mass.	323,977.09	Lieut. Col. Clifford Game.
May 16	General reserve depot, New Cumberland, Pa.	63,668.54	Lieut. J. B. Joseph.
June 27	Army supply base, Norfolk, Va.	145,078.75	Capt. W. M. Pierce.
July 7	Quartermaster depot, Washington, D. C.	114,484.04	Maj. C. B. Eckels.
27	Camp Holabird, Baltimore, Md.	4,664.42	Capt. J. L. Shanley.
Aug. 3	General reserve depot, Columbus, Ohio.	1,574.37	Lieut. E. R. Stevens.
9	Army supply base, Brooklyn, N. Y.	1,400,386.09	Col. F. W. Van Duyna.
15	Army supply base, Norfolk, Va.	31,586.81	Capt. W. M. Pierce.
18	Camp Meade, Admiral, Md.	7,520.25	Capt. H. H. Reeves.
Sept. 6	Army supply base, Port Newark, N. J.	46,516.66	Capt. W. E. Cashman.
15	Camp Meade, Admiral, Md.	188,871.08	Capt. H. H. Reeves.
19	Quartermaster depot, Jeffersonville, Ind.	200,474.43	Maj. Jos. D. McKeany.
29	Army supply base, Norfolk, Va.	543,745.85	Capt. L. S. Woods.
Oct. 11	Carlstrom Field, Arcadia, Fla.	21,558.34	Capt. W. R. Maynard.
24	Air intermediate depot, Montgomery, Ala.	7,153.21	Maj. R. S. Brown.
Nov. 2	Army supply base, Norfolk, Va.	83,093.50	Capt. L. S. Woods.
27	do.	3,174.00	Do.
Dec. 8	General reserve depot, New Cumberland, Pa.	143,584.27	Capt. T. J. Powell.
14	Camp Meade, Admiral, Md.	6,443.88	Capt. H. H. Reeves.
1923.			
Jan. 30	Army supply base, Norfolk, Va.	119,677.00	Capt. L. S. Woods.
Mar. 6	Army supply base, Brooklyn, N. Y.	713,465.04	Maj. W. A. McCain.
Apr. 5	Quartermaster depot, Washington, D. C.	32,460.25	Col. H. C. Bonnycastle.
19	General reserve depot, New Cumberland, Pa.	840,806.88	Capt. T. J. Powell.

WAR DEPARTMENT,

OFFICE OF THE CHIEF OF AIR SERVICE,

Washington, December 29, 1922.

To whom it may concern:

"A laborer is worthy of his hire," and when his work is well done he ought to be commended for it. It is in the attitude of employer the material disposal and salvage section of the Army Air Service stands.

M. Fox & Sons, auctioneers, during the past summer conducted a total of seven auction sales of Air Service surplus property, and the section has every desire to express the highest appreciation and thanks for the way in which these sales were conducted by its corps of most efficient and obliging assistants, who gave the Government valuable and conscientious service.

It is, therefore, with much satisfaction the material disposal and salvage section of the Air Service recommend M. Fox & Sons, auctioneers, as being entirely reliable and efficient, and who will discharge with fidelity all sales intrusted to their care.

HARRY GRAHAM,

Lieutenant Colonel, Air Service,  
Chief, Material Disposal and Salvage Section.

Air Service—Sales for the Air Service included airplanes, airplane engines, miscellaneous airplane spare parts, metals, veneer, aviators' clothing, tools and machinery, hardware, cloth, chemicals, etc.

Date.	Place of sale.	Amount.	Officer in charge.
1922.			
June 7	Air Service depot, Morrison, Va.	\$45,967.79	Lieut. U. G. Jones.
Aug. 24	Park Field, Millington, Tenn.	17,437.81	Capt. Paul J. Mathis.

## Air Service, etc.—Continued.

Date.	Place of sale.	Amount.	Officer in charge.
1922.			
Aug. 29	Souther Field, Americus, Ga.	\$109,959.10	Maj. L. S. Churchill.
Oct. 11	Carlstrom Field, Arcadia, Fla.	13,540.58	Capt. W. R. Maynard.
24	Air Reserve depot, Montgomery, Ala.	25,105.02	Maj. R. S. Brown.
30	Air Reserve depot, Richmond, Va.	146,074.99	Lieut. A. W. Martinstein.
Nov 14	Air Reserve depot, Long Island City, N. Y.	122,199.78	Capt. S. J. Idzorek.
1923.			
Jan. 24	Wilbur Wright Field, Fairfield, Ohio.	44,013.77	Maj. A. W. Robins.
Feb. 6	Air intermediate depot, Middletown, Pa.	65,644.59	Maj. R. M. Jones.
May 2	Kelly Field, San Antonio, Tex.	23,965.36	Maj. F. D. Lackland.
11	Rockwell Field, San Diego, Calif.	62,218.43	Maj. H. H. Arnold.
June 22	Air intermediate depot, Middletown, Pa.	33,493.62	Capt. S. J. Idzorek.

WAR DEPARTMENT,  
OFFICE OF THE SURGEON GENERAL,  
Washington, February 15, 1923.

M. FOX & SONS CO.,

215 St. Paul Place, Baltimore, Md.

GENTLEMEN: Now that we are closing up the sales campaign on medical and hospital supplies, I take this occasion to express to you my appreciation for the excellent results you have obtained in disposing of surplus medical material.

Not only your own efforts but those of your very efficient organization have brought results which are completely satisfactory to all concerned in the disposal of these supplies.

Please accept my best wishes for your continued success, and permit me in closing to again express my deep appreciation for the successful manner in which you have conducted all sales for this office.

Sincerely yours,

S. S. CREIGHTON,

Major, Medical Corps, United States Army.

Medical Department—Sales for the Medical Department included drugs, medicines, chemicals, hospital and sick-room supplies and equipment, instruments and appliances, clothing, etc.

Date.	Place of sale.	Amount.	Officer in charge.
1921.			
June 28	Army supply base, Norfolk, Va.	\$2,202.50	Lieut. C. G. Manning.
July 28	Quartermaster depot, Philadelphia, Pa.	11,777.31	Lieut. W. W. Tobin.
Oct. 27	Army supply base, Brooklyn, N. Y.	58,817.94	Col. F. M. Hartsock.
Dec. 9	Quartermaster depot, Philadelphia, Pa.	35,551.74	Lieut. W. W. Tobin.
1922.			
Aug. 15	Army supply base, Norfolk, Va.	2,700.00	Lieut. C. G. Manning.
Oct. 6	do	30,322.75	Do.
11	Carlstrom Field, Arcadia, Fla.	2,709.50	Capt. W. R. Maynard.
Oct. 27	Quartermaster depot, Washington, D. C.	140,396.61	Maj. S. S. Creighton.
Nov. 16	Quartermaster depot, Philadelphia, Pa.	41,547.27	Lieut. J. C. Schwiager.
Dec. 5	Quartermaster depot, Washington, D. C.	54,077.65	Maj. S. S. Creighton.
7	General reserve depot, New Cumberland, Pa.	94,382.87	Capt. T. G. Williams.
1923.			
Feb. 1	Army supply base, Brooklyn, N. Y.	264,630.62	Lieut. Col. Carroll D. Buck.
June 25	Quartermaster depot, Washington, D. C.	10,587.51	Maj. S. S. Creighton.

WAR DEPARTMENT,  
OFFICE OF CAMP UTILITIES OFFICER,  
Camp Abraham Eustis, Va., April 7, 1920.

From: Maj. W. R. Richards, utilities officer, Camp Eustis, Va.

To: M. Fox & Sons Co., Baltimore, Md.

Attention Mr. Robert Fox.

Subject: Sales report.

MY DEAR MR. FOX: I take great pleasure in thanking you for the highly successful manner in which our sale was conducted at this camp yesterday. As this was the first sale of this kind in this locality, the amount realized was in excess of what we expected, the sales totaling \$84,926.50.

The value of the equipment sold yesterday, in my estimation, was in the neighborhood of \$70,000, so the difference realized on this sale was

owing entirely to your efforts and the very successful manner in which the sale was handled.

Any recommendation which I may make in your behalf could not extend to you my appreciation for your efforts in our behalf.

Allow me to again assure you of my highest appreciation to you and all your associates connected with you in the handling of this sale.

Wishing you all the success possible, and I will be very glad if the occasion arises to have you handle another sale for us, I remain,

Yours very truly,

W. R. RICHARDS,

Major, Quartermaster Corps, Utilities Officer.

Salvage division—Salvage material refers to articles worn out and not fit for repair or reconditioning. The scope of commodities under this heading embraced clothing and equipage, leather and harness, machinery, scrap metals, office furniture and equipment, etc.

Date.	Place of sale.	Amount.	Officer in charge.
1921.			
July 19	Camp Lee, Petersburg, Va.	\$4,718.25	Capt. E. Berg.
Sept. 16	do	17,478.80	Do.
30	Camp Meade, Admiral, Md.	52,598.25	Lieut. W. J. Gainey.
Dec. 19	do	20,963.25	Lieut. J. T. McKay.
1922.			
Jan. 17	General reserve depot, New Cumberland, Pa.	11,897.19	Lieut. J. B. Joseph.
24	Quartermaster depot, Pittsburgh, Pa.	1,247.61	Capt. T. R. Maul.
Mar. 16	Army supply base, Norfolk, Va.	330,791.44	Capt. W. M. Pierce.
Apr. 29	Army supply base, Boston, Mass.	6,460.28	Lieut. Col. Clyffard Game
May 22	Army supply base, Norfolk, Va.	431,857.91	Capt. W. M. Pierce.
26	Camp Meade, Admiral, Md.	38,919.38	Capt. L. E. Bowman.
June 7	Air Service depot, Morrison, Va.	1,198.00	Lieut. U. G. Jones.
Aug. 1	Army supply base, Norfolk, Va.	61,810.25	Capt. H. E. Norton.
18	Camp Meade, Admiral, Md.	17,964.32	Lieut. J. T. McKay.
Sept. 6	Army supply base, Port Newark, N. J.	6,462.27	Capt. W. E. Cashman.
Oct. 6	Army supply base, Norfolk, Va.	112,967.00	Capt. L. S. Woods.
11	Carlstrom Field, Arcadia, Fla.	3,004.10	Capt. W. R. Maynard.
Nov. 11	Ordnance depot, South Amboy, N. J.	5,807.50	Capt. Jos. S. Crane.
2	Army supply base, Norfolk, Va.	9,890.50	Capt. L. S. Woods.
Dec. 14	Camp Meade, Admiral, Md.	17,784.42	Lieut. G. B. Kidwell.
15	Ordnance depot, South Amboy, N. J.	1,535.00	Capt. Jos. S. Crane.
1923.			
Jan. 30	Army supply base, Norfolk, Va.	8,944.50	Capt. L. S. Woods.
Feb. 20	Fort Myer, Va.	10,974.24	Lieut. Chas. E. Ehle.
June 30	Army supply base, Norfolk, Va.	5,222.03	Capt. L. F. Pope.

SALVAGE BOARD, WAR DEPARTMENT,  
OFFICE OF THE CHIEF OF ORDNANCE,  
Washington, November 17, 1920.

M. FOX & SONS CO.,

20-26 South Paca Street, Baltimore, Md.

GENTLEMEN: It is the desire of the Ordnance Salvage Board to express its appreciation of the efficient and businesslike manner in which you handled the several auction sales which have been conducted for the disposition of surplus Ordnance property.

There have been innumerable difficulties attendant upon the sales which have been given to you, and the manner in which you have surmounted these difficulties and the efficient and courteous service which you have rendered the Ordnance Department should be a source of much satisfaction to you as it undoubtedly is to the Ordnance Department.

The reports of the results of the auction sales which you have conducted show that you have secured prices which in the majority of cases greatly exceeded the expectations of the Salvage Board representatives.

I wish also to thank you personally not only for the results which you have obtained but for the forbearance and courtesy which you have shown under trying conditions.

You are to be especially commended for the catalogue which you prepared covering the auction sale at Aberdeen Proving Ground on November 11, 1920. It was one of the best that I have ever seen.

It is the hope of the Ordnance Salvage Board that we will be able to continue to make use of your services in the further disposition of surplus property.

Yours very truly,

DWIGHT K. SHURTLEFF,

Major, Ordnance Department, United States Army,  
Chairman Ordnance Salvage Board.

Ordnance Department—Sales for the Ordnance Department included tools and machinery, electrical supplies and equipment, plumbing fixtures and supplies, office furniture, hardware, metals, etc.

Date.	Place of sale.	Amount.	Officer in charge.
1920			
May 28	Park Plant, Baltimore, Md.	\$158,549.72	Lieut. R. O. Wilson.
Aug. 6	Aberdeen Proving Grounds, Aberdeen, Md.	123,288.60	Col. H. W. Schull.
Nov. 11	do	46,220.19	Do.
Dec. 17	do	6,255.50	Do.
1922			
Sept. 25	do	52,172.50	Col. W. H. Tschappat.

WAR DEPARTMENT,  
OFFICE OF THE DEPOT QUARTERMASTER,  
QUARTERMASTER INTERMEDIATE DEPOT,  
Jeffersonville, Ind., April 29, 1921.

From: Commanding officer.  
To: M. Fox & Sons Co., 213 Courtland Street, Baltimore Md.  
Attention Mr. Robert Fox.  
Subject: Public sale of auto vehicles April 28, 1921.

1. The writer desires to express his appreciation of the manner in which you handled the public sale of motor vehicles at this depot on April 28, 1921. The results obtained were extremely satisfactory, and the methods and means used by you in conducting this sale meet with the full approval of the undersigned.

2. The way in which you conducted the preliminary arrangements of the sale, your activity, the actual selling, the closing thereof, the manner in which you cooperated with the officers of this depot, and the interest displayed by you in conserving the interests of the War Department call for most favorable comment.

3. The writer desires to congratulate you upon your ability as an auctioneer.

L. D. CABELL,  
Commanding Officer.

Motor Transport Division—Motor transport sales involved touring cars, auto trucks, trailers, motor cycles, bicycles, and tires.

Date.	Place of sale.	Amount.	Officer in charge.
1919			
Sept. 8	Ordnance Depot, South Amboy, N. J.	\$30,755.00	Maj. Jos. S. Crane.
18	Camp Holabird, Baltimore, Md.	11,941.50	Maj. R. C. P. Evans.
25	do	17,543.50	Do.
Oct. 2	do	26,345.00	Do.
9	do	45,245.00	Do.
16	do	58,410.00	Do.
17	Camp Meade, Admiral, Md.	31,252.50	Lieut. E. A. Stoll.
23	Camp Holabird, Baltimore, Md.	121,415.00	Maj. R. C. P. Evans.
30	do	64,037.50	Do.
31	Raritan Arsenal, Metuchen, N. J.	17,530.00	Capt. E. S. Miller.
Dec. 2	Camp Holabird, Baltimore, Md.	354,647.00	Maj. R. C. P. Evans.
5	Edgewood Arsenal, Edgewood, Md.	920.00	Lieut. Philip E. Iversen.
1920			
Feb. 27	Ordnance depot, South Amboy, N. J.	12,890.00	Maj. Jos. S. Crane.
Apr. 6	Camp Holabird, Baltimore, Md.	34,763.00	Maj. R. C. P. Evans.
16	Aberdeen Proving Grounds, Aberdeen, Md.	5,010.00	Lieut. Col. J. A. Brooks, Jr.
May 7	Ordnance depot, South Amboy, N. J.	2,982.50	Maj. Jos. S. Crane.
Aug. 2	do	5,225.00	Do.
Nov. 12	Raritan Arsenal, Metuchen, N. J.	3,631.00	Captain Zellers.
27	Ordnance depot, South Amboy, N. J.	4,713.50	Maj. Jos. S. Crane.
1921.			
Jan. 18	General reserve depot, New Cumberland, Pa.	7,055.00	Capt. E. G. Coursen, Jr.
Feb. 17	Camp Holabird, Baltimore, Md.	375,040.00	Lieut. Col. George E. Ball.
Apr. 7	Camp Jesup, Atlanta, Ga.	35,589.00	Lieut. Col. W. R. Kendrick.
14	Camp Normoyle, San Antonio, Tex.	33,837.00	Captain Ellis.
22	Camp Boyd, El Paso, Tex.	26,147.00	Maj. R. Butler.
28	Quartermaster depot, Jeffersonville, Ind.	71,578.00	Lieut. Col. L. D. Cabell.
May 5	General reserve depot, Schenectady, N. Y.	20,004.00	Capt. C. A. Kraus.
12	Ordnance depot, South Amboy, N. J.	99,574.00	Maj. Jos. S. Crane.
June 15	Camp Lee, Petersburg, Va.	3,999.50	Capt. H. S. Evans.
24	General reserve depot, New Cumberland, Pa.	12,766.30	Lieut. J. B. Joseph.
July 7	Army supply base, Port Newark, N. J.	9,555.10	Capt. Wm. E. Cashman.

Motor Transport Division—Motor transport sales involved touring cars, auto trucks, trailers, motor cycles, bicycles, and tires—Continued.

Date.	Place of sale.	Amount.	Officer in charge.
1921.			
July 8	Ordnance depot, South Amboy, N. J.	8,075.80	Maj. Jos. S. Crane.
12	Quartermaster depot, Jeffersonville, Ind.	76,789.00	Lieut. Col. L. D. Cabell.
19	Camp Lee, Petersburg, Va.	405.00	Capt. E. Berg.
20	General reserve depot, New Cumberland, Pa.	6,696.00	Lieut. J. B. Joseph.
Aug. 1	Army supply base, Norfolk, Va.	6,550.00	Capt. W. E. Durst.
23	Camp Sherman, Chillicothe, Ohio.	6,921.50	Capt. M. O. Boone.
Oct. 21	Camp Meade, Admiral, Md.	6,039.50	Capt. C. A. Schwartz-waelder.
24	General reserve depot, New Cumberland, Pa.	60,000.00	Lieut. J. B. Joseph.
Nov. 3	General reserve depot, Columbus, Ohio.	60,503.50	Lieut. E. Hostetter.
8	Camp Jesup, Atlanta, Ga.	30,988.00	Lieut. Col. W. R. Kendrick
Dec. 30	Camp Eustis, Lee Hall, Va.	914.00	Capt. J. L. Corbett.
1922.			
Feb. 24	Camp Holabird, Baltimore, Md.	28,415.50	Lieut. Col. Geo. E. Ball.
Mar. 21	Air reserve depot, Buffalo, N. Y.	11,120.00	Maj. Robt. Coker.
June 7	Air service depot, Morrison, Va.	470.00	Capt. J. L. Corbett.
July 15	Camp Dix, Wrightstown, N. J.	4,183.50	Lieut. J. H. Holder.
27	Camp Holabird, Baltimore, Md.	37,193.60	Lieut. Col. Geo. E. Ball.
Aug. 1	Ordnance depot, South Amboy, N. J.	3,262.75	Capt. Jos. S. Crane.
3	General reserve depot, Columbus, Ohio.	28,505.00	Lieut. E. R. Stevens.
Sept. 19	Quartermaster depot, Jeffersonville, Ind.	182,126.00	Capt. H. H. Noyes.
21	Air reserve depot, Middletown, Pa.	9,220.50	Capt. H. R. Springer.
Nov. 10	Ordnance depot, South Amboy, N. J.	744.50	Capt. Jos. S. Crane.
1923.			
Mar. 30	Columbus, Ohio	17,137.50	Maj. H. M. Trippe.

2915 THIRTEENTH STREET NE.,  
Washington, D. C., September 3, 1920.

Mr. ROBERT FOX,  
Care of M. Fox & Sons Co.,  
26-26 South Paca Street, Baltimore, Md.

DEAR MR. FOX: It was my intention before leaving the Army to write you officially regarding the satisfactory manner in which your company handled the various auction sales of surplus construction material for the Construction Division.

In carrying out the agreement under which the sales were held, your company more than fulfilled the promises made to me in regard to assistance and cooperation prior to the sale itself and the actual holding of the auction.

I feel that it is due you to have a statement of this nature, and I would add that should I personally have any similar material to dispose of it will give me great pleasure to have you handle the work, for I know that it would be well and satisfactorily done.

Yours very truly,

J. H. KLINCK,  
Formerly Major, Quartermaster Corps,  
Officer in Charge Procurement Division,  
Construction Division of the Army.

Construction division—Sales for the construction division comprised buildings, contractors and builders' equipment and supplies, pipe and pipe fittings, valves, tools and machinery, electrical supplies, plumbing fixtures and supplies, etc.

Date.	Place of sale.	Amount.	Officer in charge.
1920.			
Apr. 6	Camp Eustis, Lee Hall, Va.	\$75,982.35	Maj. W. R. Richards.
8	Army supply base, Norfolk, Va.	61,734.00	Maj. L. G. Thom.
9	Camp Alexander, Newport News, Va.	6,549.00	Do.
June 30	Camp Dix, Wrightstown, N. J.	68,019.37	Capt. G. B. Burch.
1921.			
Mar. 18	Fort McHenry, Baltimore, Md.	1,075.00	Major Gray.
May 24	East Potomac Park, Washington, D. C.	1,675.00	Lieut. Col. H. L. Evans.
24	Washington Barracks, Washington, D. C.	666.00	Capt. Nels J. Thorad.
Dec. 30	Camp Eustis, Lee Hall, Va.	500.00	Capt. J. L. Corbett.

*Engineer Department—Sales for the Engineer Department embraced tools and machinery, engineering instruments, supplies and equipment, railroad supplies and equipment, iron and steel, etc.*

Date.	Place of sale.	Amount.	Officer in charge.
1922.			
Mar. 16	Army supply base, Norfolk, Va.	\$6,863.71	Capt. H. C. Whitehurst.
Apr. 10	do.	4,282.01	Do.
1923.			
Jan. 19	Fort Humphreys, Va.	50,176.43	Capt. L. D. Clay.
Mar. 30	Columbus, Ohio.	84,841.53	Maj. H. M. Trippes.

Mr. HILL of Maryland. The letter to which I referred contains in it a statement which was made by Mr. Robert Fox, who is apparently the president of this corporation. The letter reads as follows:

In view of the statement made by Representative BEN JOHNSON, of Kentucky, on March 22, on the floor of the House, regarding commission paid us by the Government for conducting auction sales, we have taken the privilege of mailing you under separate cover a copy of our booklet, "Satisfied," giving a résumé of our Government work from 1918 to June, 1923.

The statement made by Representative JOHNSON "that we did not pay for any advertising or any other expenses incident to the sales," is absolutely incorrect and very misleading to the public. For your information we inclose herewith newspaper cutting of our Mr. Robert Fox's statement given to the press, which is correct.

Our books and records are open to inspection by any United States Government authorized authority and we would welcome any investigation.

Respectfully yours,

M. Fox & Sons Co.  
By MORTON M. FOX.

Now, the newspaper statement which is a part of that is very brief. I want to say that in making this statement I have not the faintest implication or faintest idea that the statements made by the gentleman from Kentucky are intentionally incorrect or that he had the slightest intention of making incorrect statements. I do not know whether they are incorrect or not, but I am presenting this information for the consideration of the committee.

The statement referred to appeared in the Baltimore Sun on March 23, 1924, and is as follows:

FIGURES MISLEADING ASSERTS ROBERT FOX.

Robert Fox, president of M. Fox & Sons Co., Maryland Casualty Building, yesterday declared that the statements of Representative JOHNSON were inaccurate and misleading. In a statement issued just before he left for Charleston, S. C., where he is to conduct a sale of surplus Government goods, Mr. Fox said:

"Our company has been for years one of the official auctioneers for various departments of the Government; in fact, it was the first auctioneer to represent the War Department. Since October, 1918, its activities were devoted almost exclusively in the service of the Government.

"Except in a few special instances, where a fixed amount is paid for our services on a per diem basis, we are not paid for so many working days, but receive a commission based on the amount realized by us for the merchandise sold.

CITES EXPENSES ENTAILED.

"From these commissions which we have received we furnish and prepare at our own expense large quantities of advertising matter, such as catalogues and newspaper ads. In some instances it has been advisable to make announcements and give details of sale in as many as 50 publications throughout the country. In addition we furnish our own personnel for the preparation of each sale, which includes a careful classification and appraisal of values of the merchandise offered. Necessarily, we must employ a considerable and efficient force of high-class men to accomplish good results for the benefit of the Government. We defray our own expenses for hotel accommodations, travel, and incidentals in connection with the sales which we have conducted in all parts of the country, often necessitating the shifting of personnel from Atlantic to Pacific coast.

"As to making public the amount of money received by this company as its commissions for conducting these sales on behalf of the Government, I regret that I can not do so except with the consent of the Government, as I believe our relations with it are of a somewhat confidential nature.

"However, I can make this definite statement: 'In our largest business during any one year with the Government the total gross commissions for the entire year did not aggregate the amount referred to in the stated 113 working days.'

The CHAIRMAN. The time of the gentleman from Maryland has expired.

Mr. HILL of Maryland. I ask unanimous consent to proceed for two minutes more, Mr. Chairman.

Mr. DOWELL. I ask that it be made five minutes, Mr. Chairman, because I want to ask a question.

The CHAIRMAN. Is there objection? [After a pause.] The Chair hears none.

Mr. HILL of Maryland. Now, just one word, gentlemen, and then I shall be glad to yield for questions. I wish again to point out that this company has been serving the War Department since October, 1918; that their activities are listed in the list which I have filed, and that they have conducted one sale at Camp Holabird, with as many as 5,000 people present as possible bidders, and have conducted various other sales throughout the country. I now yield to the gentleman from Iowa.

Mr. DOWELL. Has the gentleman obtained from the War Department the amount paid to this firm for these services?

Mr. HILL of Maryland. I will say to my colleague—

Mr. DOWELL. I notice that he does not give that, and says it is a private affair. I would like to know if the gentleman has examined the War Department accounts to ascertain what this firm has drawn for its services during the time it has served as auctioneer?

Mr. HILL of Maryland. The gentleman is in error. I did not say this was a "private affair." I will repeat to the gentleman what I said a few minutes ago to the committee. I said that I have absolutely no knowledge of this matter at all except as contained in the information which I have just received from the auctioneers. I know nothing about it otherwise. I now yield to the gentleman from Massachusetts.

Mr. ROGERS of Massachusetts. I simply want to say in reference to the question of the gentleman from Iowa that this particular concern is one of those which the gentleman from Kentucky discussed on Saturday, and the statement is made in the Record that M. Fox & Sons, of Baltimore, were employed on 113 different days and received a total recompense of two hundred and thirty-odd thousand dollars.

Mr. DOWELL. I think the gentleman will concede that his constituent was receiving at least a fair compensation for the services that he rendered.

Mr. HILL of Maryland. I will say to the gentleman that I am not at all sure that any of these auctioneers are my constituents. They happen to come from Baltimore, but I do not know that they are my constituents, and I rather resent the gentleman's suggestion that I am interested in this merely because they are possible constituents of mine. They are not, but they are entitled to a fair hearing. I do not know anything about them except their general excellent reputation. I know this House wants the facts, and I know the gentleman from Kentucky [Mr. JOHNSON] wants the facts, and I am trying to help you get them. I yield to the gentleman from Massachusetts.

Mr. ROGERS of Massachusetts. Is it possible to ascertain by merely glancing at the figures whether the compensation was excessive or inadequate? Are there not so many other factors that enter into that ascertainment that it is perfectly hopeless and useless simply to set forth some figures without explanation?

Mr. HILL of Maryland. I will say to the gentleman from Massachusetts I entirely agree with his suggestion contained in his question. The Military Affairs Committee, in the early days of the Sixty-seventh Congress was greatly concerned about the prompt disposal of excess war material, and it is a very big task to properly dispose of such war material and to get proper returns. Here is a letter from the quartermaster at Camp Holabird on February 25, 1921, to the M. Fox & Sons Co., stating, "The fact that the sale realized almost \$150,000 more than we expected or hoped for is sufficient evidence of your ability as auctioneers. To you belongs the lion's share of praise for our success."

Mr. BLANTON. Will the gentleman yield?

Mr. HILL of Maryland. I yield to the gentleman from Texas.

The CHAIRMAN. The time of the gentleman from Maryland has expired.

Mr. BLANTON. I ask that the gentleman have two minutes more, Mr. Chairman.

The CHAIRMAN. The gentleman from Texas asks that the time of the gentleman from Maryland be extended two additional minutes. Is there objection? [After a pause.] The Chair hears none.

Mr. BLANTON. Does the gentleman think that it is a sufficient answer to the facts that our colleague from Ken-

tucky put in the RECORD the other day for Secretary of War Weeks to merely state that some of the auctioneers received merely one-fourth of 1 per cent, when one-fourth of 1 per cent on enough property that could be sold under the hammer in a few hours could amount to several hundred thousand dollars. It is a question of what a man is earning per day in this auctioneering business that my colleague from Kentucky was discussing, and I am sure there is not a man in this House who will get up here and defend those auctioneers who have been profiteering on this Government.

Mr. HILL of Maryland. I am perfectly frank to say to the gentleman from Texas that if that is the only statement that the Secretary of War has made, it is not sufficient, but that it is not the only statement that has been made.

Mr. BLANTON. That is all that has appeared in the newspapers. I have watched them carefully and that is all I have seen from Secretary of War Weeks in the press.

Mr. HILL of Maryland. I want to say to the gentleman that I agree with him that one-fourth of 1 per cent commission on some of the huge amounts of money that have been expended from 1918 to date in the sale of various surplus war materials might be too much, but, in all fairness, and I know the gentleman from Texas and the gentleman from Kentucky are seeking a fair disposition and a nonpartisan consideration of the question, and I am approaching it from that standpoint—

Mr. BLANTON. Would the gentleman mind yielding for just one other question?

Mr. HILL of Maryland. In one moment. In all fairness, I desire to call attention to two facts: First, that the employment of these auctioneers started in 1918 under the Democratic Secretary of War and has continued ever since; that the employment of these auctioneers started under Secretary Baker and has continued since.

Mr. BLANTON. Will the gentleman yield for one further question?

Mr. HILL of Maryland. I yield to the gentleman from Texas.

Mr. BLANTON. The press stated—I do not know with what authority—that the War Department had selected our colleague, the distinguished gentleman from New York [Mr. WAINWRIGHT] to answer our friend from Kentucky. The gentleman has spoken, but he did not answer him to my satisfaction. I wonder if the gentleman is speaking for the War Department, officially?

Mr. HILL of Maryland. I regret that my colleague from Texas, who is always so alert, did not hear the preliminary remark I made to my statement. I said I had utterly and absolutely no personal knowledge of this matter in any possible way; but that as a supplement to the very clear and able statement made by the former Assistant Secretary of War, our colleague from New York [Mr. WAINWRIGHT], and knowing that the gentleman from Kentucky also wanted to have all the facts that were available, I took the liberty of furnishing to the committee a communication which I had this morning received from Mr. Fox, the auctioneer. These matters are furnished for the information of the committee.

Mr. DOWELL. Because a system started in 1918 appears to have been extravagant, is that any reason why it should be continued now?

Mr. HILL of Maryland. I do not think any system which is of itself improper, if it is improper, started under a Democratic administration should continue.

Mr. BLANTON. But it ought to stop.

The CHAIRMAN. The time of the gentleman from Maryland has again expired.

Mr. JOHNSON of Kentucky. Mr. Chairman, I had with me on last Saturday when I addressed the House a list of sales furnished me by the director of sales. I have just sent over to my office for the list and I now have it in my hand. It is here, and subject to the inspection of any gentleman in this House; and if anybody will come and examine the list and find that my statement does not agree with every figure that the director of sales has made on these sheets I will stand right here and eat and swallow all of this paper. [Laughter and applause.] This serious matter is all too true. Let me read you the part of the hearings which you will find on page 181 in the testimony of the director of sales:

The commissions will average about between 1 and 2 per cent for all auctions.

Mr. ANTHONY. What is the highest amount you ever paid an auctioneer at any sale that you have had?

Major HARTMAN. The maximum for commodity sales is \$8,183.91 for selling \$2,123,563.13 worth of material.

Mr. ANTHONY. For a day's work?

Major HARTMAN. \$8,183.91 altogether. It averages less than 1 per cent for a \$2,000,000 sale.

Mr. JOHNSON. A thousand dollars a day would pay him fairly well?

Major HARTMAN. Yes, sir; but out of that he must pay for at least five employees that we require him to have, print the catalogues, and do a certain amount of paid local advertising, arranging and tagging the samples, and listing the samples, and rendering the abstract of sale.

Mr. ANTHONY. Why would it not be better for you to print the catalogues and take charge of the sale, and just hire a man to cry it?

Major HARTMAN. In the first place, we have not the personnel to carry on that kind of work. *It is true, we take it out of the proceeds of sale when they come due*, but we can not be sure that a sale is going to actually come off.

That is the statement of the director of sales himself about hiring five employees to help do the work; and if catalogues are required to be printed, the cost is taken out of the amount of sales. The gentleman from New York [Mr. WAINWRIGHT] spoke of the auctioneer having 75 men to help him conduct a sale. But the director of sales himself knocks off 70 of these men and says there are only 5. Is the statement true that \$8,183.91 is the biggest one day's sale? At the metropolis of my own State, within 40 miles of where I live, according to the statements contained in the War Department's statement, nearly \$25,000 was paid for one day's sale.

Mr. HOWARD of Nebraska rose.

The CHAIRMAN. Will the gentleman from Kentucky yield to the gentleman from Nebraska?

Mr. HOWARD of Nebraska. I do not desire the gentleman to yield, Mr. Chairman. I want him to go on and tell the hideous story to the ears of the country. I rise to suggest that there are not as many here now as there ought to be—not enough to transact business. I do not want to raise the point of no quorum, if I can help it. I think the Chair ought to raise it himself. [Laughter.]

The CHAIRMAN. The gentleman from Kentucky will proceed.

Mr. JOHNSON of Kentucky. The concern to which I just referred at Louisville, Ky., was the Louisville Real Estate & Development Co. The director of sales gave it to me in writing that for that sale of one day they paid \$24,194.80. Therefore \$8,183.91 is not the largest fee paid for one day.

Mr. WAINWRIGHT. Will the gentleman yield?

Mr. JOHNSON of Kentucky. Yes.

Mr. WAINWRIGHT. Has the gentleman the figures of the amount that was produced by that sale?

Mr. JOHNSON of Kentucky. I can find it if I be given the same time that other gentlemen have had.

Mr. WAINWRIGHT. May I say that I propose to explain each item the gentleman has referred to, and therefore I will not press my question.

Mr. JOHNSON of Kentucky. If I can get the time I will find what each sale amounted to.

Mr. BEGG. Will the gentleman yield?

Mr. JOHNSON of Kentucky. Yes.

Mr. BEGG. I am curious to know whether the auctioneers paid for this kind of advertising. This is one of the advertisements or catalogues about which they have spoken. Did the auctioneer pay for it or the Government pay for it?

Mr. JOHNSON of Kentucky. I never saw an advertisement of the kind the gentleman has in his hand until he exhibited it here.

Mr. BEGG. This is the Simonton ordnance plant. If the auctioneer is compelled to furnish advertising like this and put it out, that is one thing.

The CHAIRMAN. The time of the gentleman from Kentucky has expired.

Mr. BEGG. Mr. Chairman, I ask unanimous consent that the gentleman from Kentucky be allowed to proceed for 10 minutes.

The CHAIRMAN. The gentleman from Ohio asks unanimous consent that the gentleman from Kentucky be allowed to proceed for 10 minutes. Is there objection?

There was no objection.

Mr. JOHNSON of Kentucky. It seems that the gentleman from Ohio failed to hear what I just read from the hearing as coming from the director of sales in answer to a question put by the gentleman from Kansas [Mr. ANTHONY]. Mr. ANTHONY asked Major Hartman, the director of sales, "Why would it not be better for you to print the catalogues and take charge of the sale, and just hire a man to cry it?" Major Hartman replied, "In the first place, we have not the personnel to carry on that kind of work. *It is true we take it out of the proceeds*

of sale when they come due, but we can not be sure that a sale is actually to come off."

If they take it out of the proceeds of the sale, is it not being paid for by the Government of the United States?

Mr. BEGG. That is the question I am interested in, and I could not quite get it from the testimony that the gentleman read. Whether it comes out of the amount due the auctioneer or is paid by the Government is an important thing.

Mr. WAINWRIGHT. Mr. Chairman, will the gentleman yield to me in order that I may answer the gentleman?

Mr. JOHNSON of Kentucky. Yes.

Mr. WAINWRIGHT. All of these catalogues came out of the auctioneer.

Mr. BEGG. If the gentleman from New York is correct and this advertising comes out of the auctioneer, it is entirely possible that a fee of \$40,000 is not an unreasonable fee.

Mr. JOHNSON of Kentucky. But the director of sales says that it comes out of the proceeds of the sale, and the proceeds of the sale belong to the United States Government.

Mr. BEGG. And the ex-Assistant Secretary of War says flatly, without any qualification, that it comes out of the amount paid to the auctioneer.

Mr. JOHNSON of Kentucky. But the ex-Assistant Secretary of War, Mr. Wainwright, only a few minutes ago, frankly disclaimed any intimate knowledge with these affairs. The Director of Sales himself, who has that intimate information, says that the cost of advertising comes out of the proceeds of sale; and, to repeat, the proceeds of sale belong to the United States Government.

Mr. BEGG. I grant that coming out of the proceeds of sale is all right, but so does the amount paid to the auctioneer come out of the proceeds of sale.

Mr. JOHNSON of Kentucky. And consequently the United States pays both the auctioneer and the cost of printing.

Mr. BEGG. Do they lose the auctioneer's fee plus this catalogue, or only the auctioneer's fee, and the auctioneer gets this much less?

Mr. JOHNSON of Kentucky. It is made quite clear, I think, that the United States Government pays the auctioneer, and then reimburses the auctioneer, out of the proceeds of sale, for the cost of such advertising as the auctioneer may expend.

Mr. BEGG. If that is true, that is an entirely different understanding than I have.

Mr. STENGLE. Is it not a matter of record somewhere so that we can get the exact facts with regard to this?

Mr. ANTHONY. Yes. If the gentleman will yield, perhaps this will throw a little light on that. Major Hartman says in the hearings, in reply to a question from Mr. JOHNSON of Kentucky:

Yes, but out of that he must pay for at least five employees that we require him to have, the printing of the catalogues, and do a certain amount of paid local advertising, arranging and tagging the samples, listing the samples, and rendering an abstract of sale.

Mr. JOHNSON of Kentucky. And then, at that point I asked him if he made an abstract of title or an abstract of sale. He said that he made an abstract of sale. What is an abstract of sale? An abstract of title is a difficult thing to get, and it costs money; but an abstract of sale is just a plain, simple, written report of what things were sold and the price paid for them.

Mr. MURPHY. Mr. Chairman, will the gentleman yield?

Mr. JOHNSON of Kentucky. Yes.

Mr. MURPHY. Has the gentleman any information with reference to what retail dealers or even wholesale dealers who find themselves clogged with merchandise pay to experts to clean that merchandise up—sales managers who come in and take charge of stock that is more or less dead and move it? Has the gentleman any figures as to what merchants pay for that sort of service?

Mr. JOHNSON of Kentucky. Of course, I have not.

Mr. MURPHY. May I enlighten the gentleman?

Mr. JOHNSON of Kentucky. Not in my time. The gentleman can get time for his own remarks.

Mr. MURPHY. Right here I would like to make the statement.

Mr. JOHNSON of Kentucky. Does the gentleman know that he is taking much of my time?

Mr. MURPHY. I shall try to get the gentleman five more minutes. I have some knowledge of those things and I say to the gentleman that the fees run anywhere from 5 to 15 per cent.

Mr. JOHNSON of Kentucky. On a \$2,500,000 sale, conducted on one day?

Mr. MURPHY. It is just this way: A man that is clogged up with unsalable merchandise is willing to pay anyone that is able to move it a fee that is reasonable at any time.

Mr. JOHNSON of Kentucky. But that man is broke while the United States is solvent.

Mr. MURPHY. The United States had millions and millions of dollars' worth of merchandise that it did not know how to get rid of. They did not have the sales experts.

Mr. JOHNSON of Kentucky. And they chose to give it away rather than sell it?

Mr. MURPHY. They did not give it away any more than this House, with four hundred and some odd Members, by a great big majority the other day gave away the rights of the people down there at Muscle Shoals.

Mr. JOHNSON of Kentucky. Oh, the gentleman is surely not going to make a Muscle Shoals speech in my time, is he?

Mr. MURPHY. Very well.

Mr. JOHNSON of Kentucky. Mr. Chairman, getting back to the statement made by the director of sales, that the biggest one day's sale was approximately \$8,000, I have just told you of one sale amounting to nearly \$25,000 a day. The same source of information, the director of sales, recites that Smith & Jaffe, of 68 West Forty-fifth Street, New York City, were paid \$28,122.28 for making a sale on the 16th day of August, 1921. That is more than three times \$8,000. Again, that auctioneer was paid \$45,467.52 for crying a one-day sale on December 7, 1922.

The gentleman from New York [Mr. WAINWRIGHT] has spoken of the per cent that was paid during the Democratic administration and the per cent that was paid during the Republican administration. I wish the gentleman to bear in mind that I have not injected politics into this discussion. It is a calamity to both Democrats and Republicans that so much money has been thrown away to the winds by being paid unnecessarily to auctioneers, but since the gentleman himself has injected politics, let me say this to him: That the sales made under a Democratic administration were small ones. As small a fee as \$2.50 was paid for a sale.

Several small auctioneers' fees ranging from \$5 to \$10 were paid under the Democratic administration, but the director of sales fails to give any of those under a Republican administration. Those made under the Democratic administration were in 1919 and not in 1918, as the gentleman from Maryland [Mr. HILL] says. There were only three sales made by the Democrats, each of which amounted to as much as a half million dollars. I am speaking now from memory, but I shall not make a big mistake even in the figures. Under the Republican administration there were, if I recollect correctly, 12 sales of more than a half million dollars. There were about 14 sales of more than a million and a half dollars and less than two millions, and there were sales, I think, of more than two and a half millions each.

Mr. WAINWRIGHT. If the gentleman will give way, did not the gentleman himself make that comparison between the two administrations in his remarks? I did not do it except in a very inoffensive way, simply following up the allusion which the gentleman himself had made.

Mr. JOHNSON of Kentucky. Yes; but I did it in a non-partisan way. I did not undertake to make a percentage on small sales and compare that with a rate on big sales for the purpose of making an invidious or partisan comparison.

Mr. WAINWRIGHT. If the gentleman will yield just a minute. All I said was that the figures of percentage of auctioneer fees on gross rates up to March 4, 1921, averaged 2.55, and since 1.48.

Mr. JOHNSON of Kentucky. Yes; but those fees, if correct, were on the sale of a truck now and then, or on an old automobile now and then, or on some piece of worn-out property that brought but little.

The CHAIRMAN. The time of the gentleman has again expired.

Mr. BYRNS of Tennessee. I ask that the gentleman may have 10 additional minutes.

The CHAIRMAN. Is there objection? [After a pause.] The Chair hears none.

Mr. JOHNSON of Kentucky. It has been stated, and correctly so, that the larger the sale, the less became the rate of per cent payment. Why could not an arrangement have been made by which there should be a maximum daily compensation?

The prudent business man, to whom reference has been made, beyond question would have done that. For these sales a per-

centage has been paid when the man representing the Government sees in advance that a daily compensation of \$25,000, \$35,000, or \$40,000 a day would be paid. Except for a willingness to indulge in wasteful extravagance, such an arrangement would not have been made.

Now, another thing that appeared a moment ago through a question put by the gentleman from New York in referring to the papers in which the advertisements were put. I have not sought to inject politics into this matter at all. But in reply I will say that at Louisville, the metropolis of my State, there were at the time these sales were being advertised four daily papers—The Courier-Journal, The Evening Times, The Evening Post, and the Louisville Herald. The Post, the Times, and the Courier-Journal each one separately at that time had more circulation than did the Herald, then a Republican paper. Not one of the Democratic papers received a line or a penny for advertisement. Everything paid for in the way of advertising in Louisville was paid to the Louisville Herald, then a Republican paper.

Mr. WAINWRIGHT. If the gentleman will give way, may I state to the gentleman that neither I, as an Assistant Secretary of War, nor the Secretary of War had the slightest knowledge of where these advertisements were placed. They were placed by Army officers, who, I hope, know no politics and had no interest in the matter except to secure the best advertising medium.

Mr. JOHNSON of Kentucky. Gentlemen, that is the most deplorable statement I ever heard made on this floor—that those in authority know nothing about this subject.

Mr. WATKINS. Especially for advertising costing nearly half a million dollars.

Mr. JOHNSON of Kentucky. Those who placed the advertisement got approximately \$57,000. They received for doing that 8 per cent, 9 per cent, and 10 per cent, and the amount of advertisement, placed at a conservative figure, would be a half million dollars, and we are now told that nobody in authority in the Department of War knows one God's blessed thing about it.

Mr. OLIVER of New York. The gentleman from New York said he hoped these Army officers did not know anything about politics. He did not say they did not.

Mr. WAINWRIGHT. I say from my knowledge Army officers do not know anything about politics and do not practice politics.

Mr. JOHNSON of Kentucky. Will the gentleman please tell me whether the director of sales who appeared before the committee was an Army officer or not?

Mr. WAINWRIGHT. Maj. Charles D. Hartman graduated at West Point, is either an Engineer or a Coast Artillery officer, as I recall, and was assigned against his will to this job. It is one of the most thankless jobs that can be given to an Army officer.

Mr. JOHNSON of Kentucky. It was not a thankless job to the people who got the results of it. I really did not know, and I asked the gentleman in the utmost good faith whether this man was an Army officer or whether he was one who came in during or since the war. I have no knowledge whatever of him.

Mr. HILL of Maryland. Will the gentleman yield?

Mr. JOHNSON of Kentucky. I will.

Mr. HILL of Maryland. In fairness—I know the attitude in which the gentleman has approached this attitude, entirely nonpartisan, and so is mine—I want to ask the gentleman if his observations apply to the sales made through these various auctioneers in 1918 and 1919?

Mr. JOHNSON of Kentucky. There were none made in 1918.

Mr. HILL of Maryland. I will say to the gentleman there were a number of sales made at Camp Meade and numerous other places.

Mr. JOHNSON of Kentucky. If that be true then my information is incorrect, but the director of sales made no report of sales prior to 1919.

Mr. HILL of Maryland. In 1918 and 1919. I wanted to make it clear. I understand the gentleman's observations to apply equally to sales made in 1918 and 1919 and any subsequent sales.

Mr. JOHNSON of Kentucky. Before answering, may I ask the gentleman whether the same man who fixed these auctioneer fees in 1919 and 1920 is the man who now fixes them?

Mr. HILL of Maryland. I will say to the gentleman that I repeat my statement that I know absolutely nothing about the War Department end of fixing these arrangements; but I will say to the gentleman that I do know that, as reported in the statement which I made to the committee, the sales were made in apparently the same way in 1918 and in 1919; and I simply

wanted to give the gentleman the opportunity to repeat his statement, that he regarded the 1918 and 1919 sales no differently from the later ones.

Mr. JOHNSON of Kentucky. I can say this with the utmost frankness, that whoever—under whatever administration it may have happened I care not—employed auctioneers at thousands and thousands of dollars a day did a great wrong to the American people, and I do not care a continental whether he was a Democrat or a Republican. [Applause.]

Mr. DOWELL. Mr. Chairman, will the gentleman yield?

Mr. JOHNSON of Kentucky. Yes.

Mr. DOWELL. And is it not also true that this has been going on ever since the sale of this surplus property began, and on down to the present?

Mr. JOHNSON of Kentucky. My information is that since 1919 it has come down to the present; and even since this statement was given me by the director of sales, I have ascertained that an additional sum of between \$3,000 and \$4,000 has been paid to the firm of Fox, of Baltimore.

Mr. BLANTON. Mr. Chairman, will the gentleman yield?

Mr. JOHNSON of Kentucky. Yes.

Mr. BLANTON. No matter when it began, this is the time to stop it. It is not a question of when it began. It is a question of when it will stop.

Mr. COOPER of Wisconsin. Mr. Chairman, will the gentleman yield?

Mr. JOHNSON of Kentucky. I yield to the gentleman from Wisconsin.

Mr. COOPER of Wisconsin. I have listened with interest and considerable shock to the statement made by the gentleman from Kentucky. I believe the gentleman's statement to be entirely true. It is in some respects the most despicable of all the robberies of the Treasury that have been perpetrated, and I think the gentleman from Kentucky has rendered a great public service by what he has done.

This is not a question of politics, as I look at it, at all. As the gentleman from Texas [Mr. BLANTON] said, it is utterly immaterial when it began. The question is, Who are the guilty persons; and are we going to stop it now? Those are the important questions. As I read in the speeches the other day, there was one auctioneer who, in a very short time, received as an auctioneer more than all the nine Justices of the Supreme Court of the United States had received in salaries in three years.

Mr. JOHNSON of Kentucky. Without referring to the Record, if my memory is correct, that statement is correct, and that man Fox over in Baltimore, in less than a third of a year, received more than the President receives in three years.

Mr. BOYLAN. Mr. Chairman, will the gentleman yield?

Mr. JOHNSON of Kentucky. Yes.

Mr. BOYLAN. Does not the gentleman think that is a very good argument why we should compensate our officials better?

Mr. JOHNSON of Kentucky. Does the gentleman refer to the auctioneers or to the President? [Laughter.]

Mr. BOYLAN. To have a Justice of the Supreme Court of the United States and a Cabinet officer trying to get along in the city of Washington on \$12,000 a year. Does not the gentleman think that fact keeps men who are capable of holding office from serving?

Mr. JOHNSON of Kentucky. I think so.

Mr. BOYLAN. You can not hire an auctioneer at so much per day, as you would hire a bricklayer or a baker or a butcher or a candlestick maker.

Mr. JOHNSON of Kentucky. Upon what meat doth the auctioneer feed that is denied the bricklayer, the President, the Chief Justice of the Supreme Court, or the Cabinet officer?

Mr. BOYLAN. I would do justice to the auctioneer too, but the President of the United States and the Supreme Court Justices and Cabinet officers and all these distinguished gentlemen are denied adequate compensation.

Mr. BLANTON. I wonder if the gentleman from New York is trying to argue that if you paid a Congressman \$25,000 a year you would have better material from a certain district in New York? [Laughter.]

Mr. BOYLAN. I will say to the gentleman that New York has no apology to make for the material which it sends here. We have no apology to make, and if the gentleman wants to take that up we will be glad to take it up at any time at his convenience. We have no apology to make.

The CHAIRMAN. The time of the gentleman from Kentucky has expired.

Mr. BEGG. Mr. Chairman, I rise in opposition to the pro forma amendment.

Mr. WATKINS rose.

The CHAIRMAN. The Chair will first recognize the gentleman from Ohio and then the gentleman from Oregon.

Mr. BEGG. Mr. Chairman and gentlemen of the committee, there is not anything in this question to get excited about from my viewpoint. It may be that these auctioneers have made a rather unreasonable figure for the services they have performed.

Let me present the question to you from the angle of any business man in the House or out and not from the angle of a lawyer. Let us suppose that the Government might have hired some auctioneer for \$100 a day. I am going to make the illustration simpler by saying we have an automobile to sell. The Government hires me for \$100 a day to go out and sell that automobile or other automobiles. There is not anything involved to my interest at all except to do the business and get back to my office. I will say that I sell that automobile for \$75, because I have no interest in it, and I collect my daily wage. But let us see. Supposing the Government had hired me on a fee basis, my earnings to be contingent on the amount of money I have received for the Government. Is it not quite likely that I am going to exercise every single bit of my ability as a salesman to get the last nickel I can get for the article sold, and that the Government thereby will make money instead of losing money? In other words, suppose I was to have \$5 for my day's work and went out and sold the article for \$75. Or I have another kind of contract, a 10 per cent contract, and by exercising all my ingenuity I get \$100 as the price of the automobile, and I have my \$10 as my compensation instead of \$5. You can probably hire men at \$5, but I am getting \$10, and I have made for the Government \$90. But does the Government make money by paying me on a commission basis? Certainly. I submit the question to any man in the House who desires to do business.

If you go out and hire a man to sell things for you, you would rather have the best salesman there is to be obtained in the country on a commission basis, because the more he makes the more he is making for you.

Mr. JOHNSON of Kentucky. Will the gentleman yield?

Mr. BEGG. Yes; I will yield briefly, because I do not want to ask for more time.

Mr. JOHNSON of Kentucky. I yielded to the gentleman quite liberally.

Mr. BEGG. And I secured the gentleman more time. But I do not want to ask for more time myself.

Mr. JOHNSON of Kentucky. I want to ask the gentleman this question: If at a sale where, for instance, 100,000 blankets are to be sold, 100,000 pairs of shoes are to be sold, 100,000 sheets are to be sold, 100,000 saddles are to be sold, and 100,000 sets of harness are to be sold, does the auctioneer know one-millionth as much about the value of those articles as does the big buyer who is there to buy them?

Mr. BEGG. My answer to the gentleman is simply an answer of practical business. I have had some experience in salesmanship all over the United States, and I will say to the gentleman that I would rather pay some man \$10,000 to go out and sell a proposition for me than to pay some other men their expenses, because the man who can not sell is expensive and dear if you do not pay him anything, while the man who can sell can not be paid too much, if he is getting value out of the product he is selling.

I think it is questionable whether the gentleman from Kentucky is performing a great service for the country in bringing this proposition forward. If the Government has been cheated, then the gentleman is performing something for the Government, but if the Government has received more through the employment of these auctioneers on a percentage basis than it would have received through any other avenue open to it, then the gentleman is not performing a service, but he is only serving to excite the people about something that does not exist.

Mr. BLANTON. Will the gentleman yield for a question?

Mr. BEGG. I can not yield until I have finished.

Mr. ALLGOOD. Would not the goods sell themselves?

Mr. BEGG. We tried the question of hiring a man on a flat salary in 1919. At that time we hired a civilian at \$25,000 a year. Now, then, the gentleman from Kentucky has some ground on which to stand if, by comparing the results of the sales under the private man at \$25,000 a year, it is found that the Government received more per pair of shoes and more per blanket and more for everything else than it received under the auction commission kind of contract. If that is found to be true, then the gentleman has a point on which to argue.

The CHAIRMAN. The time of the gentleman has expired.

Mr. BLANTON. Mr. Chairman, I ask that the gentleman's time be extended two minutes, as I would like to ask him a question.

Mr. STENGLE. Mr. Chairman, reserving the right to object, I would like to have two more minutes added, because I desire to ask the gentleman a question.

Mr. ALLGOOD. And, Mr. Chairman, I would ask to have it extended two minutes, because I want to ask him a question.

Mr. BEGG. Mr. Chairman, I will ask unanimous consent to proceed for five additional minutes, at the end of which I will quit, regardless of what happens.

The CHAIRMAN. The gentleman from Ohio asks unanimous consent to proceed for five additional minutes. Is there objection? [After a pause.] The Chair hears none.

Mr. BLANTON. Now, will the gentleman yield?

Mr. BEGG. Yes.

Mr. BLANTON. The gentleman from Ohio has had a lot of experience in the commission business and he ought to know about it. Do I understand him to argue on this floor that the good people of the thirteenth district of Ohio would get better service if they paid the distinguished gentleman on a commission basis instead of paying him a salary?

Mr. BEGG. If they were sending me down here to sell articles I know they would, because I was elected on the record I made in salesmanship, and I sold it to my district on a commission basis. Now I will yield to the gentleman from New York [Mr. OLIVER].

Mr. OLIVER of New York. Is it not a fact that the advertisements in these cases were so badly worded and so badly placed—

Mr. BEGG. I am glad the gentleman has brought that out. But go ahead and finish your question.

Mr. OLIVER of New York (continuing). That it was impossible for anyone to say that a salesman even had a bare chance, and that runs to the general criticism made by the gentleman from Kentucky?

Mr. BEGG. I do not think there is a man in this House who doubts that the auctioneers paid for the advertising; that is in the testimony, and I do not want to waste time on it. However, the difference between a good piece of advertising and a poor piece of advertising is just the difference between money well spent and money thrown away, and I submit that if the Government had undertaken to pay for the advertising and allowed the auctioneers to spend the money recklessly, or if any of the Government officials, without being experts in advertising and not knowing the advertising which would bring results, had undertaken to spend the money they would have wasted it. Now, any man with ordinary experience in a selling way knows that that kind of advertising [indicating] costs money, and I am not afraid that these men collected too much money for advertising of that kind.

Mr. SNYDER. Will the gentleman yield?

Mr. BEGG. Yes.

Mr. SNYDER. The gentleman says he was a salesman previous to coming to Congress, and most Members here know that I have had some little business experience. I will ask the gentleman whether he knows of anything that was ever sold at auction, or through any other method of selling, for less than 4.19 per cent?

Mr. BEGG. Why, God bless you, no.

Mr. SNYDER. And is it not the rule that the normal commission for selling goods is 5 per cent or more?

Mr. BEGG. Yes; and you have a low contract when you get a 5 per cent contract.

Mr. SNYDER. I know it is usually more than that.

Mr. BEGG. And the only reason the Government got a lower percentage than that was because they had volume.

Mr. SNYDER. And the reason these auctioneers got these large fees was because they at times sold large amounts of merchandise in a minute.

Mr. BEGG. Yes; and here is another angle to the proposition. If you got sick, whom would you send for—a horse doctor? If the Government had billions of dollars' worth of surplus blankets, where would they go to get some man to dispose of them? Would they go to New York or would they go out into Ohio and pick somebody that knew nothing at all about where to go to find customers? You in your particular line can go out in your particular line and find business, but I will say to you, seriously and with no egotism, that I can sign you up on a commission contract this afternoon to go and do work or I can put you on a flat salary to go out and do work, and in the next six months you can not earn enough to pay your carfare, and I can follow you, with the same territory, and I can get enough business to pay more than my congressional salary a whole year. Now, what is the difference? It is not because I am smarter than you, but because I have been trained in that special line and do not get excited when a man

makes a few thousand dollars if he is a specialist, particularly if he is earning more for you than you are able to earn for yourself.

Mr. ALLGOOD. As I understand it, then, you are defending these auctioneers?

Mr. BEGG. I most certainly am, if they earned their money.

Mr. WATKINS. Mr. Chairman—

Mr. DICKINSON of Iowa. Mr. Chairman, I would like to suggest that there is nothing before the House, and we would like to proceed to read the bill now for a few lines.

The CHAIRMAN. The gentleman from Oregon [Mr. WATKINS] was on his feet seeking recognition.

Mr. WATKINS. Mr. Chairman, I offer an amendment.

The CHAIRMAN. The gentleman from Oregon offers an amendment, which the Clerk will report.

The Clerk read as follows:

Amendment offered by Mr. WATKINS: Page 5, line 12, after the word "economical," strike out the balance of the paragraph down to and including the figures "\$50,000" in line 15.

Mr. WATKINS. Mr. Chairman, I offer this amendment, and in connection with it I simply want to say that the surplus goods sold by these auctioneers amounted to more than \$446,000,000 and that the cash received was about \$54,000,000, or about 12 per cent of the value. If that is any indication of the service this Government is getting from these experts or from these salesmen, then deliver us from that kind of auctioneers and that type of salesmen, but I submit the amendment, Mr. Chairman, because economy is the watchword, and the present appropriation carries this work up to June 30, and after June 30 there will be nothing to sell, and consequently there will be no need of any appropriation for this purpose. The testimony before the House committee having this bill in charge discloses these facts; Major Hartman was on the stand, and Mr. ANTHONY said:

Mr. ANTHONY. I think you have stated that sufficiently. Last year the director of sales estimated that practically all of the surplus property in the War Department would be disposed of by the end of the fiscal year 1924, but it is evident, Major, that your office will be required for use for some time yet.

Major HARTMAN. Yes, sir; the Secretary of War has tentatively agreed or has tentatively expressed his intention of closing up the office of director of sales by June 30.

In view of that testimony, Mr. Chairman and gentlemen of the committee, I can see no need for this appropriation, and therefore I offer the amendment to strike out the sum of \$50,000.

Mr. ANTHONY. Mr. Chairman, in reference to the amendment offered by the gentleman from Oregon, I think he is entirely mistaken in referring to this proviso as having anything to do with auctioneers. The limit of expenditures to \$50,000 is confined to advertising only and has nothing to do with auctioneers.

Mr. WATKINS. I did not say it did.

Mr. ANTHONY. I understood the gentleman to say it did.

Mr. WATKINS. The gentleman misunderstood me. I simply said that if the service this Government was getting was indicated by the results shown from these sales, it was useless to expend anything, but that I wanted to direct my remarks to the fact that we did not need these salesmen after June 30, because we would have no goods to sell.

Mr. ANTHONY. The gentleman is entirely in error there. The evidence shows that approximately \$80,000,000 worth of goods in the War Department are on hand for sale now and have been declared surplus; that there will be \$20,000,000 to \$40,000,000 more declared surplus, and this proviso would permit them to expend not more than \$50,000 for advertising those goods, which is a very reasonable and a very moderate expenditure, and the Government should be allowed the benefit of such publicity.

Mr. WATKINS. Why spend anything if you can not get more than 12 per cent of their value. You can get that much without spending a cent for advertising.

Mr. ANTHONY. I will say to the gentleman that the goods on hand now are goods that are practically unsalable, and if the Government gets anything out of them, it is that much to the good. The War Department has been achieving marvelous results in selling a lot of property which has been considered dead property. The revenue this year is nearly \$100,000,000 which the War Department has received from the sale of surplus property.

Mr. WATKINS. Are not those goods sold "as is" and "where is"?

Mr. ANTHONY. I think so; yes.

Mr. WATKINS. Nobody inspects them and the goods are bought sight unseen.

Mr. ANTHONY. No; I think I can say to the gentleman that these sales are very carefully conducted and that we are getting good value.

Mr. BLANTON. Will the gentleman from Kansas yield?

Mr. WATKINS. The testimony discloses the fact that there will be practically no further need for the salesmen or for advertising the sales, because there will be nothing to sell.

Mr. ANTHONY. We have \$80,000,000 worth of property on hand that we want to sell.

Mr. WATKINS. Would not the appropriation which is available between now and June 30 take care of that?

Mr. ANTHONY. I think not. It will take more than a few months to sell all this property. It will probably take all of next year to sell it.

Mr. BLANTON. Will the gentleman from Kansas yield?

Mr. ANTHONY. I yield.

Mr. BLANTON. Then the argument made by the gentleman from Ohio [Mr. BEGG] falls to the ground, because he was upholding the amounts paid to the auctioneers on the ground that they had to do this advertising, and yet the gentleman from Kansas is providing the War Department with \$50,000 more to advertise.

Mr. ANTHONY. I want to make this point clear to the gentleman from Texas: That we put a limit on this advertising because the testimony shows that the War Department expended \$450,000 for newspaper and periodical advertising last year.

Mr. BLANTON. Then it was not the auctioneers who paid the cost of advertising.

Mr. ANTHONY. The auctioneers spent money for advertising, and so did the War Department, and we have limited the War Department to a reasonable amount.

Mr. LAGUARDIA. Will the gentleman yield?

Mr. ANTHONY. Yes.

Mr. LAGUARDIA. If the War Department has \$80,000,000 surplus material, what is to prevent other departments going into the market and buying similar material at its market value?

Mr. ANTHONY. We have a joint board in which all the departments of the Government are represented, and they are keeping careful tab on all commodities desired for the Government use and to see whether it embraces any surplus property which the Government has and that it does not buy anything that is surplus. We are positive that that is now the business custom.

Mr. ROGERS of Massachusetts. Will the gentleman yield?

Mr. ANTHONY. Yes.

Mr. ROGERS of Massachusetts. If the amendment of the gentleman from Oregon should prevail, would it not have the effect that the entire \$68,000 appropriated in the paragraph would be available instead of the \$50,000 in the proviso? In other words, does not the amendment defeat its own purpose?

Mr. ANTHONY. No; I hardly think it would have that effect, because, as I explained the other day, the law passed in the nineties gives the War Department authority to expend from receipts received from property sold for the cost of selling, advertising, and so forth.

Mr. BYRNS of Tennessee. Will the gentleman yield?

Mr. ANTHONY. Yes.

Mr. BYRNS of Tennessee. I ask this for information. The statement has been made here that some one testified before the subcommittee that he expected to complete the sales by July 1 and that the office of director of sales would be dispensed with. Is that true?

Mr. ANTHONY. The testimony shows that the office of director of sales will be abolished on July 1 and that thereafter the sales will be conducted by the regular sales division of the War Department.

Mr. BYRNS of Tennessee. And you have \$80,000,000 of surplus material undisposed of.

Mr. ANTHONY. Approximately.

Mr. BYRNS of Tennessee. After having sold \$446,000,000 at this tremendous expense that has been detailed by the gentleman from Kentucky [Mr. JOHNSON], that is an admission on the part of the Department of War that the process of selling during the last two or three years through the director of sales, with all the attendant extravagant expenses, was entirely unnecessary.

Mr. ANTHONY. I think the House ought to know just what has been accomplished by the War Department in the sale of surplus property.

The CHAIRMAN. The time of the gentleman from Kansas has expired.

Mr. BYRNS of Tennessee. Mr. Chairman, I ask that the gentleman's time be extended five minutes.

The CHAIRMAN. The gentleman from Tennessee asks that the time of the gentleman from Kansas be extended five minutes. Is there objection?

There was no objection.

Mr. ANTHONY. I think the House ought to know the result of the sales of this surplus property. The figures show that since 1919 the cost value of all material sold was \$2,679,000,000, and the War Department has received in cash \$1,268,396,000; so it shows that these transactions have not only reached tremendous figures but that the net returns have run into an enormous amount of money, which has found its way into the United States Treasury. Notwithstanding the expense at which the sales have been conducted, the net returns to the Government have been large and we have been able to dispose of much property that otherwise the Government would have received little return for.

Mr. BULWINKLE. Will the gentleman yield?

Mr. ANTHONY. I will.

Mr. BULWINKLE. How much in claims has the War Department paid back?

Mr. ANTHONY. There was no adjustment of claims in this matter. These sales were all for cash.

Mr. BULWINKLE. Are there not some claims pending in the War Department?

Mr. ANTHONY. The only knowledge I have of adjustments are those referred to by the gentleman from Virginia this morning in settlement of matters where cases are pending in the Court of Claims, and they have reached conclusions with these firms where certain offsets have been made in the settlements of claims by the Government against contractors.

Mr. BULWINKLE. Does the gentleman know how many bills there are introduced in this House at the present session for relief of these men whose property has been sold?

Mr. ANTHONY. I have no knowledge of that, and that would be a different matter from this, anyway.

Mr. WATKINS. Will the gentleman explain who does pay the cost of advertising where there is an expenditure of not over \$50,000? The testimony on page 181 of the hearings has been read in part. The argument here is made by some that the Government pays it, while others claim that the auctioneer pays. What is the situation?

Mr. ANTHONY. The facts are the advertising is carried along on parallel lines. The auctioneers made expenditures for advertising which was included in the percentage that the War Department paid them. The War Department was carrying on another extensive and expensive advertising campaign. We want to limit the amount of money that the War Department will be allowed to expend for advertising in the future.

Mr. WATKINS. Will not the gentleman admit that the Government does pay for the advertising?

Mr. ANTHONY. The Government does not pay for all of it; both parties have been paying for the advertising.

Mr. STENGLE. Will the gentleman yield?

Mr. ANTHONY. Yes.

Mr. STENGLE. I understood the gentleman to say that the Government paid last year \$450,000 for advertising.

Mr. ANTHONY. They did.

Mr. STENGLE. Has the gentleman any way to inform the committee as to how much as an offset for that advertising was spent by the auctioneers, what percentage?

Mr. ANTHONY. We have no means of checking up the amount of money spent by the auctioneers.

Mr. SNYDER. Mr. Chairman, will the gentleman yield?

Mr. ANTHONY. Yes.

Mr. SNYDER. I have before me here figures and percentages of the cost of advertising to the Government to sell that \$1,200,000,000 worth of property of which the gentleman has spoken, and the cost of advertising is given here as six-tenths of 1 per cent. The auctioneer's commission, plus the advertising that he did, was 1.59 per cent, and the personal and other expenses of handling this merchandise and the overhead was 2 per cent, or a total cost of 4.19 per cent on a sale of all the merchandise. Does not the gentleman think that was very cheaply done?

Mr. ANTHONY. Yes.

Mr. QUIN. Mr. Chairman, I have not consumed any time on this Navy legislation or this Army legislation, but the time has arrived when I feel that I must say something. I am surprised that the gentleman from Ohio [Mr. BEGG] has the gall to get up before the House of Representatives and not only condone but actually recommend this raid upon the United States Treasury through the War Department to pay these auctioneers these enormous sums of money. Every man in the House knows that when the Congress of the United States authorized these sales of the vast supplies that the Government

had on hand at the end of this war, at no time was there a Member on this floor, unless it was the gentleman from Ohio [Mr. BEGG], who thought that the Congress of the United States was authorizing anybody in the War Department to rob the taxpayers of this country. [Applause.] Yet, in recommending himself as a salesman, he actually had the temerity to tell this House that these men who received all the way up to as high as \$25,000 a day each, and that only a portion of a day, for selling goods that we had gone out through bond issues to get, raking almost blood money from the taxpayers of this country, were not paid too much. Nobody ever believed that the money of the taxpayers would be squandered in any such manner as that. The gentleman from Kentucky [Mr. JOHNSON] has related here what they have been doing. The gentleman from New York [Mr. WAINWRIGHT], although I do not know what he said, seems to think that it was all right, and not knowing who is responsible for it, it occurs to me that this House ought to have an investigating inquiry into the responsible heads who authorized any such outrageous conduct on the part of the Director of Sales or anybody else.

My judgment is that the taxpayers of the United States, not knowing what is going on here, who read the speech that the gentleman from Ohio [Mr. BEGG] made, would think that the Congress of the United States thinks it is all right and honorable to go out and rob the taxpayers of this Republic.

Mr. HILL of Maryland. I ask my colleague on the Committee on Military Affairs if he is not going a little bit strong in making this attack upon a system inaugurated by that splendid patriot, Secretary Baker.

Mr. QUIN. I do not have much regard for Secretary Baker's business ability, but I do not think that he ever engaged in any kind of thievery. Tell me that anybody in the War Department has authorized some flannel-mouthed auctioneer to get \$25,000 for six hours' work—

Mr. HILL of Maryland. Mr. Chairman, will the gentleman yield?

Mr. QUIN. I have not the time.

I contend that any officer of the Government who would go out and take the people's money at the rate of \$25,000 a day and give to it some auctioneer for selling what the taxpayers bought with hard labor is guilty of embezzlement of power and a betrayal of trust, and it is time for the Congress of the United States to recognize the fact that the people of this country who paid the money into the Treasury ought in some regard to have the respect of the lawmaking body.

The CHAIRMAN. The time of the gentleman from Mississippi has expired.

Mr. QUIN. Mr. Chairman, I ask unanimous consent to proceed for five minutes more.

The CHAIRMAN. Is there objection?

There was no objection.

Mr. QUIN. Is it possible that anyone would condone this kind of conduct that the gentleman from Ohio [Mr. BEGG] says is all right? What will the people who actually go out and toil say? Do you know that there are people in the United States who start early in the morning and work all day long for a dollar and a dollar and a quarter? Do you know, sir, that there are millions of people engaged in farming in this country, and that the statistics of this Government show that they each do not clear 75 cents a day? Yet the gentleman from Ohio [Mr. BEGG] wants that class of people, who are in large measure bearing the great burden of taxation in this country, to understand that it is perfectly honest and legitimate for some person down here in the War Department to rob them by giving some fellow standing up on a box selling goods \$25,000 a day for doing it. To give an auctioneer \$4,800 a day is cheap, so he thinks. Yet the gentleman from Ohio [Mr. BEGG] wants his constituents and the honest American people to think that it is all right to rob these people who work so hard to earn this money and with it pay some auctioneer in some city of this country these exorbitant sums. Does he think it is honest and right to rob this mass of the people who were called upon to buy Liberty bonds, who had speeches made at them from pulpits and schoolhouses, from every kind of platform, begging them to buy bonds in order that we might conduct this war against the ignoble Huns across the sea? Is it right for him now to say that it is patriotic to take that money so raised away from these people in such outrageous manner as that described here by the gentleman from Kentucky? [Applause.]

And on top of this these auctioneers, whom the gentleman from Ohio [Mr. BEGG] recommends so highly, who only secured out of every 100 cents' worth of property 12 cents, he holds up the advertisement as he did when he knows the hearings show that every dollar of that money came out of the Treasury

of the United States to pay for those advertisements, and the advertisements showed neither the place nor the hour of sale, so only a few could be there to bid. [Applause.]

The CHAIRMAN. The time of the gentleman has again expired. [Cries of "Vote!"]

Mr. WATKINS. Mr. Chairman, I would like to withdraw my amendment and substitute another amendment for it.

The CHAIRMAN. The gentleman from Oregon asks unanimous consent to withdraw the amendment that is pending and substitute one which the Clerk will report.

The Clerk read as follows:

Amendment by Mr. WATKINS: Page 5, line 15, after the word "exceed," strike out "50,000" and insert "\$5,000."

Mr. WATKINS. Mr. Chairman, I desire to submit this observation, that in view of the fact that the auctioneers pay for most of this advertising and in view of the fact that they only get 12 per cent of the value of the goods, and, further, in view of the fact they have only \$82,000,000 to sell, I feel that \$45,000 will be saved to the Government.

Mr. ANTHONY. Mr. Chairman, if the purpose of the committee is absolutely to tie the hands of the War Department and to prevent the sale of this property, that will be a good amendment to adopt.

Mr. BLANTON. Mr. Chairman, I offer a substitute: Strike out "\$5,000" and make it "\$10,000."

The CHAIRMAN. Will the gentleman send up his amendment?

Mr. BLANTON. It is not necessary to send it up.

The CHAIRMAN. The Clerk will report the amendment of the gentleman from Texas.

The Clerk read as follows:

Amendment offered by Mr. BLANTON to the amendment offered by Mr. WATKINS: Strike out "\$5,000" and insert in lieu thereof "\$10,000."

Mr. BLANTON. Mr. Chairman, I will say to my friend from Kansas [Mr. ANTHONY] that I have helped him along to-day, as I have not taken up very much time. I merely want to say to my friend from Mississippi [Mr. QUIN] that he can not blame members of the same fraternity for defending each other. Commission men always defend commission men, and we must not blame our friend from Ohio [Mr. BEGG] at all. It is a question of loyalty to their fraternity.

Mr. BEGG. Will the gentleman yield for a question?

Mr. BLANTON. In a moment.

Mr. BEGG. I would like to ask that question right here.

Mr. BLANTON. In just a minute. I am going to tell you something about the surplus-property business that is almost as important as this unconscionable payment to auctioneers. There was something said in the press a year or so ago about there being an enormous number of Cadillac cars stored over here at Camp Holabird. I could not believe it, and I wanted to find out, so I got in my car, and, while I hate to go through Baltimore, I did have to go through there to get to Camp Holabird.

I went over there and found a splendid man in charge of Holabird; there is no doubt about that. He was just as nice as any man could be, so far as not letting you get in any of his warehouses was concerned, but he would tell you all you wanted to know in his office. He did not have the reported number of Cadillac cars, for he admitted he did not have them. He said that the newspapers had made a mistake; that they did have the reported number of motor vehicles, but they were not Cadillacs, as only a nominal amount of them were Cadillac cars, he advising me that most of such motor vehicles were motor cycles. Of course, I took his word for it, as he would not let me in the warehouses.

But there have been thousands of new cars all over the United States just after the war which should have been sold to the public, but which were held out in the weather and permitted to waste and not sold. I saw them down in the fields near San Antonio, Tex., out in the mud for two years right after the war, and among them there were new cars—Cadillacs, if you please—very fine cars, not a scratch on them and had never been used. When I asked why they did not sell them they said that the War Department would not authorize it. Do you know why? The War Department, as sure as you are sitting in these seats, made a contract with the automobile manufacturers that they would not sell them until they had to sell them as second-hand, damaged machines.

Mr. BEGG. A Democratic War Department?

Mr. BLANTON. The difference between the gentleman from Ohio [Mr. BEGG] and myself is this: That he searches only for a Democratic goat, but when I find something wrong going

on in the Government I do not stop to ask who is in charge—whether he is a Democrat or a Republican—but I go after it and try to clean it up, whether it is Democratic or Republican.

Mr. BEGG. This was a Democrat who made that contract?

Mr. BLANTON. No; it was probably made by some Republican officer in the War Department.

Mr. BEGG. A Democrat?

Mr. BLANTON. It was under Democratic administration, yes.

Mr. BEGG. Yes; surely.

Mr. BLANTON. But high Army officers were in charge of the various bureaus there and it is continued here under a Republican administration. Many of these high Army officers in charge were Republicans.

Mr. BEGG. Will the gentleman yield?

Mr. BLANTON. I would gladly, but I want some of my five minutes myself. [Laughter.] Oh, this is the old, old song, "We are just carrying on what we found." We Democrats carried on what we found when we took charge of the existing administration. It seems, since you have been in charge, as if somebody did not have enough initiative of their own to stop these practices.

Mr. JOHNSON of Texas. Will the gentleman yield?

Mr. BLANTON. Yes; I must yield to my colleague.

Mr. JOHNSON of Texas. Does not my friend think former Secretary of the Interior Fall would have been better off financially and politically if he had been an auctioneer rather than a member of the Cabinet?

Mr. BLANTON. Well, it seems lately as though a good many have been getting what they wanted whether Secretary of the Interior or auctioneers.

Mr. HILL of Maryland. Or Secretary of the Treasury under a Democratic administration?

Mr. BLANTON. Not while he was a Democratic official. And I want to say this—and I am not afraid to say it—let not the gentleman imagine that Mr. McAdoo will be the nominee of the Democratic Party. [Applause.]

Mr. HILL of Maryland. I agree with the gentleman, and I hope he will not be.

Mr. BLANTON. Because he has not any show on earth, and I am not afraid to say it. The Democrats are not going to nominate him, or anyone else who is on the pay roll of men who bribe public officials. But he is honest. He has never taken a dollar that has been a dishonest dollar when he was a public official. It has been in business, private business, since he went out of office, and even then I do not approve of it.

The CHAIRMAN (Mr. LEHLBACH). The question is on agreeing to the amendment to the amendment.

The question was taken, and the amendment to the amendment was rejected.

The CHAIRMAN. The question is on agreeing to the amendment offered by the gentleman from Oregon [Mr. WATKINS].

The question was taken, and the Chairman announced that the yeas appeared to have it.

Mr. WATKINS. A division, Mr. Chairman.

The CHAIRMAN. A division is demanded.

The committee divided; and there were—ayes 42, noes 48.

So the amendment was rejected.

Mr. WATKINS. Mr. Chairman, I offer an amendment.

The CHAIRMAN. The gentleman from Oregon offers an amendment, which the Clerk will report.

The Clerk read as follows:

Amendment offered by Mr. WATKINS: At the end of line 15, page 5, insert the following: "Provided further, That no auctioneer shall be paid more than \$100 per day out of any money appropriated by this act for services rendered."

Mr. SNYDER. Mr. Chairman, I move an amendment to the amendment.

Mr. ROGERS of Massachusetts. I make a point of order on the amendment.

Mr. BLANTON. It is too late, because an amendment has been offered by the gentleman from New York.

The CHAIRMAN. The amendment has not been offered to the Chair and has not been read by the Clerk. What is the point of order of the gentleman from Massachusetts?

Mr. ROGERS of Massachusetts. The point of order is that the amendment is legislation and not germane to the paragraph.

Mr. BLANTON. Mr. Chairman, I make the point of order that the gentleman can not discuss the point of order, because the amendment has not been read yet.

Mr. ROGERS of Massachusetts. I thought the gentleman said it came too late.

Mr. WATKINS. Mr. Chairman, I desire to say, in addition to that, that the paragraph deals with the sale of property by

the War Department. The paragraph is labeled "Contingencies of the Army"—contingent expenses. This is simply a limitation on the compensation of the man who is engaged to conduct the sale. The proviso reads: "Provided further, That the amount expended or obligated for advertising sales of surplus War Department property during the fiscal year 1925 shall not exceed \$50,000." The mere reading of that proviso would indicate that the amendment is not only germane but in order as a limitation.

Mr. BYRNS of Tennessee. Mr. Chairman, in this paragraph an appropriation is made for the purpose of disposing of certain property of the War Department. That is the object of this appropriation. It is the object of the limitation with reference to advertising. Now, if Congress can make an appropriation of so much money for the purpose of disposing of property, certainly the House has at the same time the right to say that no more than a certain amount of the sum appropriated shall be expended for a particular purpose in the disposition of that property. It seems to me, under the circumstances, that it is clearly within the power of the House, in the process of making the appropriation, to provide that only so much shall be paid to an auctioneer or only so much shall be paid for advertisements.

The CHAIRMAN (Mr. LEHLBACH). The Chair is ready to rule. The language of the amendment is—

*Provided further, That no auctioneer shall be paid more than \$100 per day out of any money appropriated by this act for services rendered.*

This clearly is not a limitation on the appropriation, because it simply fixes the pay that the auctioneer shall receive at not more than \$100 a day. It does not limit the expenditure of the \$50,000 appropriated; but on the other hand, inasmuch as it limits the pay of the auctioneer, it comes under a section of the Holman rule, and is in order; and therefore the point of order is overruled.

Mr. ANTHONY. Mr. Chairman, I maintain that it is not germane to the paragraph, because none of this money appropriated in the paragraph is to be used for the purpose mentioned.

The CHAIRMAN. The money is appropriated by this paragraph to further sales of material, as is shown by the limitations contained in the proviso. It pertains to the salaries of civilian employees connected with the sale of war supplies, and also limits the sum to be obligated for advertising sales; so that it is germane, in the judgment of the Chair.

Mr. HILL of Maryland. Mr. Chairman, I offer an amendment to the amendment.

The CHAIRMAN. The gentleman from Maryland offers an amendment to the amendment, which the Clerk will report.

The Clerk read as follows:

Amendment offered by Mr. HILL of Maryland to the amendment offered by Mr. WATKINS: Strike out "\$100 per day" and insert "no more than was paid under the authority of the Secretary of War in the year 1918, 1919, or 1920."

The CHAIRMAN. The question is on agreeing to the amendment offered by the gentleman from Maryland.

Mr. BEGG. Mr. Chairman, I want to oppose the original amendment.

The CHAIRMAN. The gentleman is recognized for five minutes.

Mr. BEGG. Mr. Chairman, there has been a lot of "non-serious" conversation this afternoon, but to me this is serious. I do not believe that any of you gentlemen on this side believe that I want to waste Government money. Now, if the gentleman's amendment is adopted limiting the pay of the auctioneer to \$100 a day, do you know what you are doing? You are compelling the Government to sell this stock by some other method than by the use of an experienced auctioneer. There is no argument about that at all.

As I said a minute ago in my remarks—and I meant it—there was not any partisanship, because if I wanted to be partisan I could make some nasty remarks, but I believe this is business. The only way to tell whether we are paying too much is to compare what we received for the same articles under a civilian private salesman at \$25,000 a year, and I will submit to you that with some millions of dollars worth of sales under the private system of salesmanship we did not realize 8 cents on the dollar of the original cost. Now, I do not know whether we have realized too little or not, but I do know as a business man that the only kind of a contract I would sign if I owned the property would be a percentage contract, if I were going to sell on the auction block. I know that everybody else who would do business would do it that way. It is a question we can not control. I am sorry, and you are sorry, we have this

property, and we are all anxious to get the most out of it, but I do not believe the time has arrived in this country when every man connected with the Government is a crook, and I do not believe the time has arrived when every man in the public service needs to be watched and restricted for fear he will steal the Treasury. There are some honorable men in the War Department, and I believe they are just as anxious to salvage every dollar's worth of value out of this as we are. If they can sell these supplies in the most profitable way, let us not handicap them by saying, "You must hire a man by the day at \$100."

The CHAIRMAN. The time of the gentleman has expired.

Mr. BYRNS of Tennessee. Mr. Chairman, the gentleman from Maryland has offered an amendment which, in effect, provides that no greater sum shall be paid to an auctioneer for his service than was paid during the years 1918, 1919, and 1920. Of course, it is evident to everyone as to what actuated the gentleman from Maryland in offering that amendment to the amendment.

I am a partisan Democrat. I admire a man who believes in the principles of the Republican Party and who stands up for them and defends them; likewise I admire a Democrat who believes in the Democratic principles. But, gentlemen, I have never been enough of a partisan to display it upon the floor of this House on a proposition which involves thousands and hundreds of thousands of dollars of the money of the American people. Nor can I understand the viewpoint of anyone, be he Democrat or Republican, who would seek to play with a serious proposition like this for partisan advantage.

The gentleman from Kentucky [Mr. JOHNSON] in his statement the other day, when he presented this matter and when he rendered such a great service to the American people by presenting it, said at the outset that he was not actuated by any purpose to gain a partisan or political advantage, and I submit that the gentleman from Kentucky in his position to-day has given no cause to those gentlemen who seek to make something political or partisan out of it. It is no excuse or defense for this administration in its misuse of public funds to say that it was following the precedent set by previous administrations, even if such be a fact. In the first place, no sale took place in 1918, if the Director of Sales is to be believed, and I have examined his statement, and it has been shown to the gentleman from Maryland. The armistice was not signed until November 11, 1918, and no sales were made in that year, according to the report of the Director of Sales.

Mr. HILL of Maryland. Will the gentleman yield?

Mr. BYRNS of Tennessee. Yes.

Mr. HILL of Maryland. I will say to the gentleman that the statement I made this morning was to the effect that the sales made in 1918 were immediately after the armistice, and I gave a list of the sales.

Mr. BYRNS of Tennessee. I have examined the statement submitted by the gentleman from Kentucky, which came from the Director of Sales, and I am positive there is not a sale shown upon that paper prior to August, 1919, save possibly two or three very small sales a month or so before. That statement was submitted by the Director of Sales, and yet the gentleman from Maryland, upon his responsibility as a Representative—and he has repeated it—has stated that sales took place in 1918.

Now, gentlemen, why did he make that statement? What purpose did the gentleman have in making the statement? This is not a partisan matter, and I hope Representatives here are willing to rise above partisanship and that Republicans and Democrats alike will attempt to protect the American people and their Treasury in this matter. [Applause.]

The CHAIRMAN. The time of the gentleman has expired.

Mr. BYRNS of Tennessee. Mr. Chairman, I ask unanimous consent to proceed for three minutes more.

Mr. LONGWORTH. Mr. Chairman, reserving the right to object—and I shall not object—I call the attention of the committee to the fact that it is now nearly half past 4 o'clock and we have read but three pages of this bill. I think every gentleman will agree with me that it is of the utmost importance that we should get rid of at least two appropriation bills this week in order that we may not give another body an opportunity to say it has not the time to act upon them in time to adjourn in the first week of June. I do not believe there is a gentleman present who does not want to adjourn early in June. The public business demands action, and I certainly hope we may proceed as quickly as possible in the consideration of this bill.

Mr. RANKIN. Mr. Chairman, further reserving the right to object, I am not one who wants to adjourn the 1st of June.

I think it is more important to the American people that this legislation have due consideration as we go along rather than to hasten its consideration in order that we may get out of here in time to take part in political campaigns during the summer.

The CHAIRMAN. The gentleman from Tennessee asks unanimous consent to proceed for three additional minutes. Is there objection? [After a pause.] The Chair hears none.

Mr. BEGG. Will the gentleman yield?

Mr. BYRNS of Tennessee. I will yield for a brief question.

Mr. BEGG. I agree with the gentleman's sentiment absolutely. The thought I have in mind is that we do not want to kill any of the Government's methods for getting the most out of these goods. If the auctioneers have been getting too much, instead of killing the legislation would it not be better to limit the percentage to be paid to the auctioneers? I would like to have the gentleman's opinion of that proposition.

Mr. BYRNS of Tennessee. I would be glad to see anything adopted which would prevent the payment of any such outrageous fees as have been paid to auctioneers during the past few years.

Mr. BEGG. I would probably agree with the gentleman.

Mr. BYRNS of Tennessee. Now, the gentleman from Maryland [Mr. HILL] has offered an amendment which proposes to make the legal rate for auctioneers that which was paid during the Democratic administration, and he states that that is the rate which prevails now. So I take it the gentleman from Maryland, representing the city from which one of these favored auctioneers comes, is prepared to indorse and approve the amounts paid to these auctioneers during the past few years. What are the facts? The facts are that under the Democratic administration there was something like \$6,000,000 received from the sale of surplus property, whereas under the present administration there has been something like \$68,000,000 received from such sales. The gentleman from Kentucky [Mr. JOHNSON] made the statement, and it has not been contradicted so far as I know, that under the Democratic administration the sales were in comparatively small amounts, while all the big sales, the sales in large bulk and large quantities, have taken place under the present administration. But, gentlemen, if the auctioneers were paid too much under the Democratic administration it was wrong, and we ought not to commend or condone it now. If they are paid too much under the present administration, and I think all but one or two gentlemen upon this floor will concede that, then we ought not to condone it, whether we be Republicans or Democrats. You gentleman upon this side of the Chamber, I submit, can not justify the acts of the present administration by the claim that an excessive amount was paid under a previous administration, even if such be a fact. [Applause.]

Mr. MADDEN. Mr. Chairman, I move to strike out the last two words. I do not know, and I do not suppose anyone here knows, whether the policy pursued either by the present administration or the last administration is justified in the matter of sales, but there is one thing certain, we are not going to be able to find out whether it was justified or not by the adoption of the amendment that is pending. There is not a man here who can tell whether the amendment should be adopted or not. We can not regulate intelligently the question of charges without some investigation, and this bill is not the place to try that. This amendment only embarrasses the situation and does not clarify it. There is not a man here more bitterly opposed to any extravagance or any unjustifiable waste than I am, I do not care by whom it is committed, and I have no sort of defense to make, no matter what the administration is or who the man in the administration is, of any act that ought not to be performed, but let us show some sense and let us exercise some judgment.

Mr. RANKIN. Will the gentleman yield?

Mr. MADDEN. Yes.

Mr. RANKIN. Does not the gentleman think that \$50,000 is too much to pay for this service?

Mr. MADDEN. I do not know. I have not the slightest idea and neither has anybody else, but I will tell you how we ought to get at it. I have a suggestion to make. This matter ought to be legislated upon, if it is going to be regulated, and this bill is not the place for such legislation. We have a Military Affairs Committee that has jurisdiction over this subject. The whole matter ought to be referred to that committee. They ought to send for persons, for papers, and for everything connected with the case, and get at all the facts, whatever they may be, and then present a bill to this House that will remedy the evil, if there is one. Do not let us try to assume we are remedying any evil by the adoption of this

amendment. We are not, and the amendment ought not to be adopted.

Mr. HILL of Maryland. Mr. Chairman, in view of the remarks of the gentleman from Illinois [Mr. MADDEN], with which I entirely agree, I ask unanimous consent to withdraw my substitute to the amendment, and I hope the amendment itself will be withdrawn by the gentleman on the other side of the House.

The CHAIRMAN. Without objection, the substitute offered by the gentleman from Maryland to the amendment is withdrawn.

There was no objection.

The CHAIRMAN. The question recurs on the amendment offered by the gentleman from Oregon.

The amendment was again reported.

The question was taken; and the Chair being in doubt, the committee divided and there were—ayes 59, noes 53.

Mr. ROGERS of Massachusetts. Mr. Chairman, I demand tellers.

Tellers were ordered, and the Chair appointed as tellers Mr. ANTHONY and Mr. WATKINS.

The committee again divided; and the tellers reported—ayes 60, noes 54.

So the amendment was agreed to.

The Clerk read as follows:

#### GENERAL STAFF CORPS.

##### CONTINGENCIES, MILITARY INTELLIGENCE DIVISION.

For contingent expenses of the Military Intelligence Division, General Staff Corps, and of the military attachés at the United States embassies and legations abroad, including the purchase of law books, professional books of reference, and subscriptions to newspapers and periodicals; for cost of special instruction at home and abroad, and in maintenance of students and attachés; for the hire of interpreters, special agents, and guides, and for such other purposes as the Secretary of War may deem proper, including \$5,000 for the actual and necessary expenses of officers of the Army on duty abroad for the purpose of observing operations of armies of foreign states at war, to be paid upon certificates of the Secretary of War that the expenditures were necessary for obtaining military information, \$65,500, to be expended under the direction of the Secretary of War: *Provided*, That section 3648, Revised Statutes, shall apply neither to subscriptions for foreign and professional newspapers and periodicals nor to other payments made from this appropriation in compliance with the laws of foreign countries under which the military attachés are required to operate.

Mr. LAGUARDIA. Mr. Chairman, I offer an amendment.

The CHAIRMAN (Mr. TILSON). The gentleman from New York offers an amendment, which the Clerk will report.

The Clerk read as follows:

Mr. LAGUARDIA offers the following amendment: Page 6, line 11, after the word "operate," insert: "*Provided*, That no funds herein appropriated shall be expended for the pay, allowance, or expense of any retired officer of the United States Army assigned to duty as a military attaché at any United States embassy or legation abroad."

Mr. MADDEN. Mr. Chairman, I reserve a point of order on the amendment.

Mr. LAGUARDIA. Mr. Chairman, I want to call the committee's attention to the fact that there are no duties in the Army in peace time more important than the duties of a military attaché assigned to a foreign country, and we should send keen, intelligent officers, the best that the Army can produce, to perform such duties. Recently it has been the custom for the War Department to send retired officers to perform these duties at some of the capitals. They go there for the social attraction offered by the European capitals and are of little, if any, military value.

Mr. MADDEN. Will the gentleman yield for a question?

Mr. LAGUARDIA. Certainly.

Mr. MADDEN. The gentleman must know that the War Department does not send them. They are sent by the State Department.

Mr. LAGUARDIA. The military attachés?

Mr. MADDEN. Certainly.

Mr. LAGUARDIA. Oh, no; the gentleman is in error. They are sent by the War Department. They are simply attached to the embassies or legations to give them a diplomatic status in a foreign country, but they are selected by the War Department; they report to the War Department, and their duties are solely military or naval. Let me give you an instance. We have at Paris a gentleman who is a resident of Paris, a retired officer, an elderly man, who has not the keen interest a younger and more active man may have and is of no value to us as a

military attaché except for his social activities he promotes from time to time.

Mr. BACON. Will the gentleman yield?

Mr. LAGUARDIA. Yes.

Mr. BACON. Does the gentleman know that this man served on the staff of Marshal Foch during the war?

Mr. LAGUARDIA. How old was he then?

Mr. BACON. I have no means of knowing his age.

Mr. LAGUARDIA. How old is he now? He is a retired officer and ought to be kept on the retired list.

Mr. BACON. He did not retire because of age.

Mr. LAGUARDIA. What did he retire for?

Mr. BACON. Because he wanted to. He retired before the World War and was called back into active service when the war broke out.

Mr. LAGUARDIA. Oh, the gentleman is in error. The gentleman ought to understand the duties of a military attaché and know that he should be a staff officer or officer of the line and recently in active service with the prospect of returning to troops in order to be of real service as a military observer in a foreign country.

Mr. MCKENZIE. Will the gentleman yield?

Mr. LAGUARDIA. I will.

Mr. MCKENZIE. What is the grade of this particular officer that the gentleman refers to?

Mr. LAGUARDIA. He is a colonel.

Mr. MCKENZIE. The gentleman is familiar with the fact that when we wrote what is known as the Army reorganization bill we abolished what is known as the Mex-colonel and prohibited the taking of a young officer and boosting him a grade so as to give him a position as a foreign attaché, and put it on the ground that if a colonel was necessary they should take a colonel and put him over there.

Mr. LAGUARDIA. The World War has taught us that if you have a colonel worth anything you can not have a superannuated old man, because he is no good. If you want simply an ornament for a 5-o'clock tea, that is another thing.

Mr. MCKENZIE. The gentleman would not assume to say that a second lieutenant given a higher grade, given a boost and made a colonel, would be in any better position?

Mr. LAGUARDIA. No; but let us not go to extremes. I would not take a shave tail out of West Point, and I would not take an old retired officer.

Mr. MADDEN. Will the gentleman yield?

Mr. LAGUARDIA. Yes.

Mr. MADDEN. Does the gentleman want to dictate the kind of a man who should be selected?

Mr. LAGUARDIA. If a man is retired from the Army, he should remain retired.

Mr. ROGERS of Massachusetts. Will the gentleman from New York yield?

Mr. LAGUARDIA. I will yield to the gentleman.

Mr. ROGERS of Massachusetts. Assuming that an officer in the World War lost his arm in action, he would become incapacitated for active duty and be put on the retired list. Does the gentleman think that because of that casualty the officer would not be desirable as a military attaché?

Mr. LAGUARDIA. Oh, no; but we have not an officer in that position.

Mr. ROGERS of Massachusetts. But the gentleman is trying to legislate for all conditions.

Mr. LAGUARDIA. I am trying to legislate to prevent the conditions we have in France. I say we ought to have in France, Germany, Italy, and Japan officers who are alert, competent, young, and intelligent—able Army officers of this country.

Mr. MADDEN. Mr. Chairman, I make the point of order on the amendment on the ground that it is legislation on an appropriation bill and not germane to the subject matter.

The CHAIRMAN. No; the point of order was reserved. The Chair thinks this is a limitation on the qualifications of the person receiving the appointment and therefore the Chair overrules the point of order. The question is on the amendment offered by the gentleman from New York.

The question was taken, and the amendment was rejected.

The Clerk read as follows:

#### ARMY WAR COLLEGE.

For expenses of the Army War College, being for the purchase of the necessary special stationery; textbooks, books of reference, scientific and professional papers and periodicals; maps; police utensils; employment of temporary, technical, or special services, and expenses of special lecturers; for the pay of employees; and for all other absolutely necessary expenses, \$60,540.

Mr. BLANTON. Mr. Chairman, I move a pro forma amendment to strike out the paragraph. I want to use this minute

to call the attention of Members to a provision here that possibly might escape attention. It is on line 11, page 7, "Expenses of special lecturers." Some of you may not know that some of the finest lecturers in the United States from the best universities come periodically to the War College and deliver lectures, and it is worth the time of any Member to go down there and hear them. Mr. Chairman, I withdraw the pro forma amendment.

The Clerk read as follows:

#### ADJUTANT GENERAL'S OFFICE.

Salaries: For personal services in the District of Columbia in accordance with "The classification act of 1923," \$1,261,340; all employees provided for by this paragraph for The Adjutant General's office of the War Department shall be exclusively engaged on work of that office.

Mr. ANTHONY. Mr. Chairman, I offer the following amendment:

The Clerk read as follows:

Committee amendment offered by Mr. ANTHONY: Page 8, line 15, strike out the figures \$1,261,340, and insert in lieu thereof \$1,331,340.

Mr. ANTHONY. Mr. Chairman, when the bill was originally considered by the subcommittee we decided that the cut made in the force of The Adjutant General's office was too severe, and we agreed at that time that we would grant an increase, but the increase does not show in the bill, and so I have offered this amendment at this time.

Briefly, the Budget recommended about 100 clerks over what they have now. That is the one office in the War Department whose work ought to be right up to the minute, and the work is right up to the minute now. We believe that by permitting this increase, which is just half what The Adjutant General wants, the work will be kept up to date.

Mr. BEGG. Mr. Chairman, will the gentleman yield?

Mr. ANTHONY. Yes.

Mr. BEGG. Is the work any heavier in The Adjutant General's department this year than it was last year?

Mr. ANTHONY. No. We are acting upon the theory that it will not be quite as heavy.

Mr. BEGG. Then what is the idea of increasing it about \$250,000? Last year we gave them \$1,145,330, and this year you are giving them under this amendment one million three hundred thousand and odd dollars.

Mr. ANTHONY. This year's appropriation, as the gentleman knows, carries an increase due to the reclassification law and the bonus as well, which accounts for the difference in the amount.

Mr. BARBOUR. If the adjusted compensation act goes into effect it will mean a whole lot more work for The Adjutant General's office.

Mr. ANTHONY. Oh, it will strain every energy they have to get away with it.

Mr. JOHNSON of Kentucky. Mr. Chairman, I want to add just a word in support of the amendment proposed by the chairman of the committee by saying that the figures which appear on the text of the bill are the result of a mistake. The committee was unanimous on the opinion that in order to keep approximately near the same number of clerks that The Adjutant General now has under the new classification established, it was necessary to increase the amount of money, and, therefore, I wish to add my word in support of the amendment offered by the gentleman from Kansas.

The CHAIRMAN. The question is on agreeing to the amendment offered by the gentleman from Kansas.

The amendment was agreed to.

#### MESSAGE FROM THE SENATE.

The committee informally rose; and Mr. LEHLBACH having taken the chair as Speaker pro tempore, a message from the Senate by Mr. Crockett, one of its clerks, announced that the Senate had agreed to the report of the committee of conference on the disagreeing votes of the two Houses on certain amendments of the Senate to the bill (H. R. 5078) making appropriations for the Department of the Interior for the fiscal year ending June 30, 1925, and for other purposes, and had further insisted upon its amendment to the amendment of the House and ordered that Mr. SMOOT, Mr. CURTIS, and Mr. HARRIS act as the conferees on the part of the Senate.

The message also announced that the Senate had passed the following resolution:

#### Senate Resolution 195.

Whereas one Clarence C. Chase is, and for more than a year last past has been, a civil officer of the United States, to wit, the collector of customs at the port of El Paso, Tex.; and

Whereas in the prosecution of an inquiry by the Committee on Public Lands and Surveys of the Senate under Senate Resolution 147 it became necessary to inquire into the source from which one A. B. Fall, late Secretary of the Interior, secured large sums of money at or about the time or shortly after he entered upon negotiations resulting in the execution of leases or contracts relating to the naval oil reserves; and

Whereas it appears from the testimony taken and proceedings had before the said committee that the said Clarence C. Chase entered into a conspiracy with the said A. B. Fall to mislead and deceive the said committee concerning the source of such moneys, and that pursuant to such conspiracy the said Clarence C. Chase on or about the 29th day of November, 1923, endeavored to induce one Price McKinney to represent to and testify before the said committee that he had loaned to the said Fall at or about the time hereinbefore mentioned the sum of \$100,000; and

Whereas the said Clarence C. Chase well knew that the said Price McKinney had made no such loan to the said Fall; and

Whereas the said Clarence C. Chase being, on the 24th day of March, 1924, called before the said committee and interrogated concerning the matters herein referred to by the said committee, declined and refused to answer any questions in relation to the same upon the ground that his answers might tend to incriminate him: Now therefore be it

*Resolved*, That a copy of the testimony adduced and the proceedings had before the said Committee on Public Lands and Surveys under Senate Resolution 147 be, with a copy of this resolution, transmitted to the House of Representatives for such proceedings against the said Clarence C. Chase as may be appropriate.

#### ARMY APPROPRIATION BILL.

The committee resumed its session.

The Clerk read as follows:

Pay of officers: For pay of officers of the line and staff, \$30,338,000: *Provided*, That no part of this sum shall be paid to Maj. Charles C. Cresson, United States Army.

Mr. JOHNSON of Kentucky. Mr. Chairman, I will state that there is a tentative agreement between myself and the chairman of the subcommittee, Mr. ANTHONY, that this item was to go over until we got to the next page, and that we would then treat this with another item like it together.

Mr. ANTHONY. I think it would save a great deal of time in debate if the two items in respect to Major Cresson and Colonel Hunt could be considered at one and the same time.

Mr. JOHNSON of Kentucky. But voted on separately.

Mr. ANTHONY. Voted on separately, but debated at the same time, and if I may be permitted to do so now, I ask unanimous consent that that be done.

Mr. WURZBACH. Mr. Chairman, will the gentleman yield?

Mr. ANTHONY. Yes.

Mr. WURZBACH. I think it is fully understood that there are different issues involved in these two cases. I would prefer to take up the case of Major Cresson first. At the same time I do not want to delay or fail to help in the expedition of this bill by objecting.

Mr. JOHNSON of Kentucky. As I understand the suggestion of the gentleman from Kansas [Mr. ANTHONY], it would not prevent the Cresson case from coming up first.

Mr. ANTHONY. As suggested, we will vote first on the case of Major Cresson, because his name appears first in the bill.

The CHAIRMAN. As the Chair understand the suggestion of the gentleman from Kansas, it is that it all be read as one paragraph, down to line 12 on page 10?

Mr. REECE. I object to this being read as one paragraph.

Mr. BLANTON. Mr. Chairman, I do not think we ought to take this up this afternoon. We have done a good day's work. I make the point of order that there is no quorum present. It was understood by both gentlemen that this matter was going to come up to-morrow.

Mr. ANTHONY. Will the gentleman withhold his point until we can come to some agreement?

Mr. BLANTON. Certainly.

Mr. CONNALLY of Texas. Mr. Chairman, the gentleman from Texas now on the floor offered an amendment and was recognized by the Chair, as he understood.

The CHAIRMAN. No; the Chair did not recognize the gentleman until he found out whether the gentleman in charge of the bill or the ranking minority member wanted to be recognized.

Mr. CONNALLY of Texas. I do not want to lose my opportunity to offer an amendment.

The CHAIRMAN. The gentleman will lose none of his parliamentary rights.

Mr. CONNALLY of Texas. My amendment does not relate to this particular matter at all.

Mr. LAGUARDIA. Mr. Chairman, as I understand it, the first paragraph on page 9 has been read. I desire to make the point of order on the proviso of that paragraph.

Mr. BLANTON. I make the point of order that his point of order comes too late.

Mr. LAGUARDIA. Oh, no. There has been no argument on the paragraph.

Mr. BROWNE of New Jersey. Mr. Chairman, I have an amendment which I desire to offer.

The CHAIRMAN. That seems to be inconsequential, whether the point of order is made against it or not. It is evidently not subject to the point of order.

Mr. CONNALLY of Texas. Mr. Chairman—

The CHAIRMAN. For what purpose does the gentleman rise?

Mr. CONNALLY of Texas. I have an amendment which the Clerk has at the desk.

The CHAIRMAN. There are other amendments. Did the gentleman from Kansas and the gentleman from Kentucky agree?

Mr. ANTHONY. Mr. Chairman, before proceeding with the consideration of the amendment I ask unanimous consent that when the items in reference to Major Cresson and Colonel Hunt are reached that they may be debated at the same time to-morrow.

The CHAIRMAN. One item has been reached and read.

Mr. ANTHONY. I ask unanimous consent that debate in reference to Major Cresson be postponed until we reach the item in reference to Colonel Hunt to-morrow, at which time the debate may be at such length as may be agreed upon at that time.

Mr. JOHNSON of Kentucky. And consideration.

Mr. ANTHONY. And consideration.

Mr. REECE. Mr. Chairman, reserving the right to object. I do not think it is fair to Major Cresson that this unanimous-consent request be permitted to go through. I do not want to be captious in any sense of the word about it, but it is a very serious proposition involved here, and one that may have a far-reaching effect. Major Cresson's honor and good name are at stake and I do not think any of the rights he may have should be overlooked here, and I must object.

The CHAIRMAN. Objection is heard.

Mr. ROGERS of Massachusetts. Will the gentleman permit an inquiry?

Mr. ANTHONY. I have not the floor.

Mr. ROGERS of Massachusetts. I understand there was an informal agreement reached that those two items should be taken together and half of the time should be controlled on one side and half on the other.

Mr. ANTHONY. It is my purpose to ask that there be two hours' debate, one hour to be controlled by the gentleman from Kentucky and one by myself.

Mr. ROGERS of Massachusetts. My question is, whether in view of the fact that objection has been interposed we can not divide in two the agreed period of two hours, and have one half devoted exclusively to the Cresson case and the other half to the Hunt case, and have the two issues voted upon separately.

Mr. ANTHONY. And within the hour the Cresson case be disposed of before taking up the other?

Mr. ROGERS of Massachusetts. I think it would be acceptable to Members of the House.

The CHAIRMAN. Is there objection?

Mr. REECE. That is all right. I do not wish to be understood as being in any wise prejudiced against the Hunt case.

The CHAIRMAN. Is there objection? [Cries of "Regular order"!] The gentleman from Texas offers an amendment, which the Clerk will report.

The Clerk read as follows:

Page 9, line 4, after the figures insert, "*Provided*, That no part of the funds appropriated by this act shall be utilized for the recruiting or enlisting of boys under the age of 21 years without the written consent of the parent or guardian, if any, of such boys.

Mr. ANTHONY. I want to make the point of order on that amendment on the ground that it is new legislation which changes existing legislation.

Mr. CONNALLY of Texas. Does the gentleman want to move to rise?

Mr. ANTHONY. If the gentleman will let it go over until to-morrow I will move to rise.

Mr. CONNALLY of Texas. Unless the Chair wants to rule now.

The CHAIRMAN. Does the gentleman want to be heard on the question?

Mr. CONNALLY of Texas. Before the Chair rules.

The CHAIRMAN. Does the gentleman from Kansas wish to be heard?

Mr. ANTHONY. On the point of order, no, I do not, except to call the attention of the Chair to the fact that the ages of enlistment are fixed by existing legislation in reference to minors, and this changes existing law with reference to such enlistments.

Mr. BLANTON. There was such a provision carried in the present bill. This will set aside and change the substantive law.

Mr. ANTHONY. That is law for one year only.

Mr. BLANTON. It is the law now; it is the law until July 1.

Mr. CRAMTON. While it is the law until July 1 it is not one minute after July 1, and this bill has nothing to do with the present time. It has to do with the fiscal year beginning July 1.

Mr. BLANTON. The Chair last year held that was in order.

Mr. CONNALLY of Texas. Mr. Chairman, I would like to be heard on the point of order if the Chair proposes to rule on it to-night.

The CHAIRMAN. The Chair will rule to-night if the committee wishes the Chair so to rule.

Mr. ANTHONY. Mr. Chairman, if the Chair wishes to rule to-night I am perfectly willing to have him do so, or I would be satisfied to have the Chair rule to-morrow morning.

The CHAIRMAN. The Chair is willing to do that, with the assent of the gentleman from Texas.

Mr. ANTHONY. Mr. Chairman, I move that the committee do now rise.

The motion was agreed to.

Accordingly the committee rose; and the Speaker having resumed the chair, Mr. TILSON, Chairman of the Committee of the Whole House on the state of the Union, reported that that committee, having under consideration the bill (H. R. 7877) making appropriations for the military and nonmilitary activities of the War Department for the fiscal year ending June 30, 1925, and for other purposes, had come to no resolution thereon.

#### LEAVE OF ABSENCE.

By unanimous consent, leave of absence was granted as follows:

To Mr. JOST, for 10 days, on account of important business.

To Mr. ACKERMAN, for three days, on account of important business.

To Mr. KINDRED, for two weeks, on account of illness in his family.

#### FIRST DEFICIENCY BILL, 1924.

Mr. MADDEN. Mr. Speaker, I ask unanimous consent to take from the Speaker's table the bill H. R. 7449, the first deficiency bill for 1924, disagree to the Senate amendments, and ask for a conference.

The SPEAKER. The gentleman from Illinois asks unanimous consent to take from the Speaker's table the bill H. R. 7449, the deficiency bill, disagree to the Senate amendments, and ask for a conference. Is there objection?

Mr. BLANTON. Reserving the right to object, Mr. Speaker, there is a piece of legislation in that bill providing altogether for \$200,000 for certain tracts of park land here in the District. That is a matter that is now pending before the Committee on the District of Columbia, and I have some data against that provision, to which, I believe, if understood by the Members of the House, they would never agree. I do not believe that the Senate should put such legislative matters on a deficiency bill.

Mr. MADDEN. If the gentleman will listen to me for a moment, I will say that if we could reach an agreement on that matter in conference it would not cost the Government any money. If we can not, we will bring it back.

Mr. BLANTON. Then I withdraw my reservation.

The SPEAKER. Is there objection to the request of the gentleman from Illinois [Mr. MADDEN]?

There was no objection; and the Speaker appointed as conferees on the part of the House Mr. MADDEN, Mr. ANTHONY, and Mr. BYRNS of Tennessee.

#### INTERIOR DEPARTMENT APPROPRIATION BILL.

Mr. CRAMTON. Mr. Speaker, I call up the conference report on the Interior Department appropriation bill, H. R. 5078, and ask unanimous consent that the statement may be read in lieu of the report.

The SPEAKER. The gentleman from Michigan asks unanimous consent that the statement accompanying the conference

report on the Interior Department appropriation bill be read in lieu of the report. Is there objection?

There was no objection.

The SPEAKER. The Clerk will read the statement.

The statement accompanying the conference report was read. The conference report is as follows:

#### CONFERENCE REPORT.

The committee of conference on the disagreeing votes of the two Houses on certain amendments of the Senate to the bill (H. R. 5078) making appropriations for the Department of the Interior for the fiscal year ending June 30, 1925, and for other purposes, having met, after full and free conference have agreed to recommend and do recommend to their respective Houses as follows:

That the Senate recede from its amendments numbered 17 and 19.

That the House recede from its disagreement to the amendments of the Senate numbered 15, 18, and 39, and agree to the same.

Amendment numbered 16: That the House recede from its disagreement to the amendment of the Senate numbered 16, and agree to the same with an amendment as follows: In lieu of the sum proposed, insert "\$150,000"; and the Senate agree to the same.

Amendment numbered 38: That the House recede from its disagreement to the amendment of the Senate numbered 38, and agree to the same with an amendment as follows: In lieu of the matter inserted by said amendment, insert the following: "\$400,000 of which amount \$245,000 shall be used for drainage purposes, but only after execution by the Truckee-Carson irrigation district of an appropriate reimbursement contract satisfactory in form to the Secretary of the Interior, and after confirmation of such contract by decree of a court of competent jurisdiction and final decision on all appeals from such decree"; and the Senate agree to the same.

The committee of conference have been unable to agree on the amendment of the Senate numbered 47.

LOUIS C. CRAMTON,  
FRANK MURPHY,  
C. D. CARTER,

*Managers on the part of the House.*

REED SMOOT,  
CHARLES CURTIS,  
WM. J. HARRIS,

*Managers on the part of the Senate.*

#### STATEMENT.

The managers on the part of the House at the conference on the disagreeing votes of the two Houses on certain amendments of the Senate to the bill (H. R. 5078) making appropriations for the Department of the Interior for the fiscal year 1925 submit the following statement in explanation of the effect of the action agreed upon and recommended in the accompanying conference report as to each of such amendments, namely:

On Nos. 15 and 16, relating to irrigation systems on the Flat-head Indian Reservation, Mont.: Appropriates \$150,000, instead of \$300,000, as proposed by the Senate, and \$50,000, as proposed by the House, and makes the appropriation available for "continuing construction," as proposed by the Senate, instead of confining it to "maintenance and operation," as proposed by the House.

On No. 17: Appropriates \$15,000, as proposed by the House, instead of \$30,000, as proposed by the Senate, for maintenance and operation of irrigation systems on the Fort Peck Indian Reservation, Mont.

On Nos. 18 and 19, relating to irrigation systems on the Black-foot Indian Reservation, Mont.: Appropriates \$20,000, as proposed by the House, instead of \$60,000, as proposed by the Senate, and makes the appropriation available for "continuing construction," as proposed by the Senate, instead of confining it to "maintenance and operation," as proposed by the House.

On Nos. 38 and 39, relating to the Newlands irrigation project, Nevada: Appropriates \$400,000, as proposed by the Senate, instead of \$155,000, as proposed by the House, and inserts a substitute for the language proposed by the Senate requiring a contract with the water users binding them to reimburse the Federal Government for the cost of the drainage, which substitute provides that the money for drainage shall not be used until the irrigation district shall have executed a satisfactory reimbursement contract and the same shall have been confirmed by decree of a court of competent jurisdiction

and final decision on all appeals from such decree shall have been rendered.

The committee of conference have been unable to agree upon the amendment of the Senate No. 47, relating to the Bright Angel toll road and trail in the Grand Canyon National Park.

LOUIS C. CRAMTON,  
FRANK MURPHY,  
C. D. CARTER,

*Managers on the part of the House.*

Mr. CRAMTON. Mr. Speaker, this report disposes, first, of the amendments in dispute with reference to certain Indian irrigation projects in Montana, on the Fort Peck, Flathead, and Blackfeet Reservations. In connection with these three items I may say that the total House figures for the three were \$85,000, being restricted to operation and maintenance. The Senate figures were \$390,000, of which \$300,000 was for the Flathead Reservation.

On this matter, when it was pending in the House last, before we went into conference, the gentlemen from Montana [Mr. EVANS and Mr. LEAVITT] presented arguments in behalf of an increase of the appropriations for construction, particularly upon the Flathead Reservation. Their arguments were such that, although the conferees were opposed to an increase for that purpose, and I presented such arguments as I could, the House barely sustained us at that time by a vote of 33 to 31.

Mr. CARTER. And the motion of the gentlemen from Montana was to concur in the Senate amendment, which was \$300,000, twice as much as that to which we had agreed.

Mr. CRAMTON. Yes. In other words, we barely, by a vote of 33 to 31, escaped instruction to agree to \$300,000. In view of that and in view of insistence of the other body, the conferees have agreed to an amendment, \$150,000 for the Flathead as against \$50,000 in the House bill and \$300,000 as in the Senate action. The Fort Peck and Blackfeet items are continued at the House figure.

I express the hope that when the authorities of the Indian Service come before us a year from now they can give us a more thorough exposition of the facts in connection with that than it has been possible for us to secure this year. The House conferees, in view of the action of the House that I have referred to, have felt warranted in yielding to pressure in this instance.

As to the Nevada item relating to reclamation, the Newlands project, an appropriation of \$245,000 for drainage purposes has been acceded to by the House. That is a matter which was not submitted to the Congress by the Budget. It was originally proposed by the department to use that same amount of money for the beginning of the Spanish Springs Reservoir, which was, however, not defended by the Reclamation Service as feasible when they appeared before our committee, and hence was not recommended by us. Since then the question of additional drainage has come up. The presence of alkali has made drainage an especially grave problem on the Newlands project. It was somewhat discussed in our hearings, and a very forcible argument was presented for it in the House in the first instance by the gentleman from Nevada [Mr. RICHARDS], who has brought full information to the attention of the House conferees. Associated with Mr. RICHARDS has been one of his constituents, Mr. True Vencill, who has summarized the facts with reference to this item very forcibly, and I will ask consent to extend my remarks for the purpose of including that letter.

The SPEAKER. The gentleman from Michigan asks unanimous consent to extend his remarks in the Record as indicated. Is there objection? [After a pause.] The Chair hears none.

The letter referred to follows:

MARCH 7, 1924.

HON. LOUIS C. CRAMTON, M. C.

*House of Representatives, Washington, D. C.*

MY DEAR MR. CRAMTON: Referring to our conversation of yesterday, I write to confirm what was said and to furnish the information you requested as to the action of our irrigation board with respect to the manner in which its members contract with the Government in the premises.

I wish to impress upon you that seepage water is already on the surface of many of the homesteads and is within 12 inches of the surface on a number of others. This means destruction to these farms unless drained immediately. When the fertility of the soil is once destroyed by seepage it takes from one to three years of constant irrigation and cultivation to restore these lands to their original production. An analysis of this condition is that the farmer loses three years of time and is unable to grow any crops, therefore can not meet his water payments and living expenses and would be forced in some cases to abandon his homestead.

The ponderous and expensive machinery which was used in doing the drainage work covered by the \$700,000 contract with the Government, which was completed January 1, 1924, is now lying idle on the project. Farms are being destroyed by seepage day by day. The Government's investment, as well as the farms, is being destroyed. Does it not therefore seem wise to provide funds to complete this drainage without delay, simply as a matter of good business?

In answer to your question as to why we did not get the drainage movement started sooner, I find that in looking over our minutes of the directors' meeting held on November 5, 1923, the project manager and engineers were instructed to investigate the necessity for further drainage and estimate cost of construction, which report I have just learned this morning is now in the files of the reclamation service in Washington. The engineers did not have this data completed until the fore part of January, so that we could estimate the approximate amount that would be needed.

The following resolution was passed by the Irrigation board at its meeting the fore part of February.

"The livelihood of approximately 125 actual settlers, as well as the investment of the United States Government, is seriously threatened unless more drainage is done. Seepage conditions on these 17,500 acres, unprotected, are getting worse instead of better, and undoubtedly many of the settlers will have to leave if relief is not afforded immediately. Estimates and plans of the work needed now being made indicate that an expenditure of about \$250,000 will be necessary for the work, to be covered by an appropriate contract for repayment provided by the district."

Concerning the amendment added by Senator ODDIE relative to drainage on the Newlands project, it is perfectly satisfactory to the Senator to substitute the amendment suggested by the chief counsel of the Reclamation Service, which is as follows:

"\$400,000 of which amount \$245,000 shall be used for drainage purposes, but only after execution by the Truckee-Carson irrigation district of an appropriate reimbursement contract satisfactory in form to the Secretary of the Interior, and after confirmation of such contract by decree of a court of competent jurisdiction and final decision on all appeals from such decree."

In reply to your question as to how this contract would be confirmed by the court I wish to say that it would be handled in the same manner as a will for probate. It would be submitted to the court by a petition from the district, in accordance with the State law.

In the event I have failed to cover fully what you desire I shall be very glad to furnish such further information as you may indicate.

Very sincerely yours,

TRUE VENCILL.

Mr. CRAMTON. That disposes of the matters which are cleaned up by the conference report.

There is a matter which I should have brought to the attention of the House for the purpose of properly making the Record in accordance with an agreement that the gentleman from Oklahoma [Mr. CARTER] and I entered into with reference to amendments 13 and 14, which were disposed of in the previous report concerning the Chickasaw, Choctaw, and Creek attorneys. Those who have been interested in this item have agreed to this: That the appropriation carried in the bill, as it has now been agreed to by the two Houses, for the attorneys of the Chickasaw and Choctaw Tribes is based on the theory that the McMurray case will be tried in the court of claims during this fiscal year and not appealed; if it is not tried this fiscal year or is appealed, any necessary additional expense by reason thereof will be regarded as an emergency and should be considered the proper basis for a deficiency to that extent.

The principal increase that has been created in the bill by the Senate is out of the reclamation fund. There is an increase of \$910,000 from the reclamation fund in the final action as compared with the House action. The final action of the bill, apart from the reclamation fund or the Indian reimbursable items or the tribal funds—that is, that which comes from what might be called the general fund of the Treasury—is a total of \$250,353,255.

Mr. HOWARD of Nebraska, Mr. Speaker—

Mr. CRAMTON. I yield, if the gentleman desires.

Mr. HOWARD of Nebraska. I just wanted to suggest that legislation covering a matter of \$250,000,000 or \$300,000,000 ought to be considered by more than a couple of dozen Members of the House.

Mr. CRAMTON. I will say to the gentleman from Nebraska that the House has already disposed of the bulk of this, and in view of the gentleman's suggestion, I will simply put this table in the Record.

Mr. BLANTON. Will the gentleman yield?

Mr. CRAMTON. I yield.

Mr. BLANTON. I want to say to the gentleman from Nebraska that the gentleman need not be uneasy at all. The gentleman from Michigan is looking after the people's interest on this bill. The gentleman has been able to hold his own with the powers that be elsewhere.

Mr. HOWARD of Nebraska. That encourages me very much.

Mr. CRAMTON. It is \$34,269,554 less than the appropriation for the current year.

Mr. CARTER. If the gentleman from Michigan will yield, with reference to what the gentleman from Nebraska [Mr. HOWARD] said, the situation is that all these matters have been disposed of except three or four irrigation items that we now have before us, which I assume the House will back the committee up in, and in those matters the House has cut considerable off of the only Senate amendments agreed to, with the exception of one, and has refused to agree to two others, and the gentleman has receded and has agreed to cutting down the amounts. The only things now in question are the four amendments, and one other amendment which is not to be considered this evening, as I understand.

Mr. HASTINGS. Will the gentleman from Michigan permit me to ask a question?

Mr. CRAMTON. Yes.

Mr. HASTINGS. Does the gentleman have the figures showing the amount authorized to be expended this coming year out of Indian tribal funds? I thought perhaps the gentleman had that in the statement and would incorporate it in the Record.

Mr. CRAMTON. It is \$2,173,800.

Mr. HASTINGS. Expended from Indian tribal funds?

Mr. CRAMTON. About \$300,000 less than the current year. I will ask unanimous consent to extend in the Record the following statement and analysis:

Interior Department appropriations for 1925.

	(1) Tribal (not included in total in col. 5).	(2) Indian reimbursable.	(3) Reclamation fund.	(4) All others.	(5) Total, exclusive of tribal funds.
1924 or current year.....	\$2,406,600	\$2,609,250	\$12,250,000	\$282,660,759	\$297,520,000
Budget for 1925.....	2,170,800	2,020,950	10,856,000	250,192,881	272,069,331
Reported to House.....	2,185,800	1,873,000	9,946,000	249,908,965	261,727,965
Passed House.....	2,178,800	1,853,000	9,946,000	249,948,566	261,747,465
Passed Senate.....	2,173,800	2,245,200	10,856,000	251,100,556	264,232,756
Conference action.....	2,173,800	2,041,200	10,856,000	250,353,255	263,250,455

The above table and the following analysis includes the \$100,000 for Bright Angel Trail in the Grand Canyon National Park, proposed by the House and still in disagreement as Senate amendment 47.

The total expenditure authorized from tribal funds is \$2,173,800, which is \$232,800 less than the current year, \$3,000 above the Budget, and \$5,000 below the House bill.

The total Indian reimbursable is \$2,041,200, which is \$586,050 less than the current year, \$20,250 above the Budget, and \$188,200 above the House bill. The increase above the House figure, slightly modified by other amendments, results chiefly from addition of \$82,200 for steel bridges for the Pueblo Indians and the \$100,000 I have previously referred to for irrigation on the Flathead Reservation.

The total appropriations from the reclamation fund, a special revolving fund set aside solely for work under the reclamation act, are \$10,856,000. This is \$1,394,000 less than the current year, is exactly the Budget figure, and is \$910,000 above the House bill. The increases above the House bill are \$245,000 for drainage on the Newlands project, which I have above discussed, and \$665,000 for the continuation of construction of the American Falls Reservoir on the Minidoka project.

The total appropriations carried in this bill from what might be called the general fund of the Treasury, excluding those from the Indian tribal funds, those from the reclamation fund, and reimbursable Indian items are \$250,353,255, which is \$32,307,504 less than the current year, \$8,839,126 less than the Budget, and only \$404,690 more than the House bill, an increase over the House bill of approximately one-sixth of 1 per cent. If the large sum appropriated for payment of pensions is eliminated from consideration, the increase is only about 1½ per cent of the balance.

The total appropriations carried in the bill from all Federal funds, reimbursable or otherwise, Indian tribal funds not being included, are \$263,250,455, which is, as I have already said, \$34,269,554 below the current year, and is \$3,819,876 below the Budget and \$1,502,990 above the House bill, an increase over the House bill of a little more than one-half of 1 per cent or,

excluding the fund for payment of pensions, the increase over the House bill is only about 3½ per cent.

My purpose in giving this analysis is not only to give information which I think will be of interest, but also to emphasize how satisfactory the bill is from the House point of view.

The statement is not given for the purpose of claiming any undue credit for the House conferees. On the contrary it is to be said that those who have charge of the bill in another body have been vigilant in protecting the bill against undesirable amendments and against increases generally.

Mr. OLDFIELD. Will the gentleman from Michigan yield?

Mr. CRAMTON. I yield to the gentleman from Arkansas.

Mr. OLDFIELD. Is this the bill in which appears the amendment known as the Bright Angel Trail amendment?

Mr. CRAMTON. That is amendment No. 47, which is still in disagreement, and is not covered by this agreement. It will be the only item remaining in disagreement after this report is agreed upon.

Mr. OLDFIELD. Do you expect that to be agreed to?

Mr. CRAMTON. I expect that ultimately the House action will be concurred in by the Senate.

Mr. OLDFIELD. And the gentleman expects to insist—

Mr. CRAMTON. It is not my purpose to-night to take any action with reference to that amendment.

Mr. OLDFIELD. Just one further question. Does the gentleman expect to insist in the future?

Mr. CRAMTON. I will say to the gentleman from Arkansas that the House conferees feel very strongly with reference to that proposition—the need that there is for the United States to assert its control over one of its national parks and to put that park in shape so that the public may in safety visit it, and not run the risk of drinking typhoid water or encountering other dangers. We feel that the rights of the United States are paramount, and when clearly defined by the Supreme Court should be observed by all. We feel that no one individual, whatever his station in life or official position, should be allowed to stand in the way of the common good, based on well-defined public rights. We do not believe toll should be collected on any road or trail in a national park, and that it is especially undesirable that the Bright Angel Trail should remain in any ownership except that of the United States, which owns the park in which the trail is situated. Ownership of the trail other than by the United States adds to the opportunity for private interests to defy the United States. Those same private interests which are now most actively opposing the House action in this matter have in the very recent past sought to gain control of this trail, and are now violently and impudently interfering with proper administration of the park. The House action heretofore taken is in the public interest and I feel it must be maintained. I will not ask action further on amendment 47 at this time.

[Mr. CRAMTON was granted leave to revise and extend his remarks in the Record.]

The SPEAKER. The question is on agreeing to the conference report.

The question was taken, and the conference report was agreed to.

JIM HOGG COUNTY, TEX.

Mr. GARNER of Texas. Mr. Speaker, I ask unanimous consent to take from the Speaker's table and consider at this time bill S. 2625, a similar House bill having been favorably reported on the calendar.

The SPEAKER. The gentleman from Texas asks unanimous consent to take from the Speaker's table the bill S. 2625 and consider the same, a similar bill being on the calendar. Is there objection to the present consideration of the bill?

Mr. HOWARD of Nebraska. Mr. Speaker, I would like to ask if the bill appropriates any money out of the Treasury.

Mr. GARNER of Texas. No; I never take any money out of the Treasury. [Laughter.]

The SPEAKER. Is there objection? The Chair hears none, and the Clerk will report the bill.

The Clerk read the bill, as follows:

A bill (S. 2625) to detach Jim Hogg County from the Corpus Christi division of the southern judicial district of the State of Texas and attach the same to the Laredo division of the southern judicial district of said State.

Be it enacted, etc., That Jim Hogg County of the Corpus Christi division of the southern district of the State of Texas be, and the same is hereby, detached from the said Corpus Christi division and attached to and made a part of the Laredo division of the southern district of said State.

The bill was ordered to be read a third time, was read the third time, and passed.

## ADJOURNMENT.

Mr. TILSON. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 5 o'clock and 23 minutes p. m.) the House adjourned until to-morrow, Wednesday, March 26, 1924, at 12 o'clock noon.

## EXECUTIVE COMMUNICATIONS, ETC.

Under clause 2 of Rule XXIV, executive communications were taken from the Speaker's table and referred as follows:

412. A letter from the Acting Secretary of Labor, transmitting a list of miscellaneous papers of the Bureau of Labor Statistics, Immigration, and Naturalization which will be of no further use in the transaction of official business; to the Committee on Disposition of Useless Executive Papers.

413. A letter from the Acting Secretary of the Navy, transmitting a draft of proposed legislation "authorizing the Secretary of the Navy to accept certain lands in the vicinity of Pensacola, Fla., to assure a suitable water supply for the United States naval air station at Pensacola"; to the Committee on Naval Affairs.

414. A letter from the Acting Secretary of Commerce, transmitting a draft of proposed legislation "to authorize the Comptroller General to relieve Fred A. Gosnell, former disbursing clerk, Bureau of the Census, and the estate of Richard C. Lappin, former supervisor of the Fourteenth Decennial Census for the Territory of Hawaii, and special disbursing, in the settlement of certain accounts"; to the Committee on Claims.

415. A letter from the Acting Secretary of the Navy, transmitting a draft of proposed legislation "to extend the provisions of the national bank act to the Virgin Islands of the United States" (H. Doc. No. 229); to the Committees on Banking and Currency and Insular Affairs and ordered to be printed.

416. A message from the Senate of the United States, transmitting copy of Senate Resolution 195, relating to Clarence C. Chase, collector of customs at the port of El Paso, Tex., together with certain testimony adduced before the Senate Committee on Public Lands and Surveys; resolution ordered to be printed and, with the accompanying papers, referred to the Committee on the Judiciary.

## REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS.

Under clause 2 of Rule XIII,

Mr. FISHER: Committee on Military Affairs. H. J. Res. 163. A joint resolution authorizing the Secretary of War to loan certain tents, cots, chairs, etc., to the executive committee of the United Confederate Veterans for use at the thirty-fourth annual reunion, to be held at Memphis, Tenn., in June, 1924; without amendment (Rept. No. 359). Referred to the House Calendar.

Mr. LEAVITT: Committee on the Public Lands. H. R. 3756. A bill granting to the county of Custer, State of Montana, certain land in said county for use as a fairground; without amendment (Rept. No. 360). Referred to the Committee of the Whole House on the state of the Union.

Mr. LEAVITT: Committee on the Public Lands. H. R. 4319. A bill authorizing the conveyance of certain land to the city of Miles City, State of Montana, for park purposes; without amendment (Rept. No. 361). Referred to the Committee of the Whole House on the state of the Union.

Mr. WINSLOW: Committee on Interstate and Foreign Commerce. H. R. 7015. A bill to authorize the purchase in the open market of certain supplies for use on the Panama Canal or in the Canal Zone; with amendments (Rept. No. 363). Referred to the Committee of the Whole House on the state of the Union.

Mr. VAILE: Committee on the Public Lands. H. R. 3927. A bill granting public lands to the town of Silverton, Colo., for public park purposes; without amendment (Rept. No. 364). Referred to the Committee of the Whole House on the state of the Union.

Mr. GRAHAM of Pennsylvania: Committee on the Judiciary. H. R. 3260. A bill to amend the practice and procedure in Federal courts, and for other purposes; with amendments (Rept. No. 365). Referred to the House Calendar.

Mr. GRAHAM of Pennsylvania: Committee on the Judiciary. H. R. 7271. A bill to amend section 284 of the Judicial Code of the United States; with an amendment (Rept. No. 366). Referred to the House Calendar.

## REPORTS OF COMMITTEES ON PRIVATE BILLS AND RESOLUTIONS.

Under clause 2 of Rule XIII,

Mr. McSWAIN: Committee on Military Affairs. H. R. 2319. A bill for the relief of John H. McAtee; without amendment (Rept. No. 362). Referred to the Committee of the Whole House.

## CHANGE OF REFERENCE.

Under clause 2 of Rule XXII, committees were discharged from the consideration of the following bills, which were referred as follows:

A bill (H. R. 754) to authorize the Treasury of the United States to turn into the treasury of the Territory of Alaska all moneys received from the sale of fur-seal and other furs as are the property of the United States of America from the Pribilof Islands; Committee on Ways and Means discharged, and referred to the Committee on the Merchant Marine and Fisheries.

A bill (H. R. 4104) to amend an act entitled "An act to prevent the extermination of fur-bearing animals in Alaska," etc.; Committee on Ways and Means discharged, and referred to the Committee on the Merchant Marine and Fisheries.

A bill (H. R. 7743) granting an increase of pension to William Weaver; Committee on Invalid Pensions discharged, and referred to the Committee on Pensions.

A bill (H. R. 7356) to repeal a part of section 5, chapter 127, Thirty-ninth United States Statutes at Large; Committee on the Judiciary discharged, and referred to the Committee on Interstate and Foreign Commerce.

## PUBLIC BILLS, RESOLUTIONS, AND MEMORIALS.

Under clause 3 of Rule XXII, bills, resolutions, and memorials were introduced and severally referred as follows:

By Mr. SNYDER: A bill (H. R. 8201) to amend an act entitled "An act to establish a Veterans' Bureau and to improve the facilities and service of such bureau, and further to amend and modify the war risk insurance act," approved August 9, 1921, and to amend and modify the war risk insurance act and to amend the vocational rehabilitation act; to the Committee on World War Veterans' Legislation.

By Mr. LEHLBACH: A bill (H. R. 8202) to amend the act entitled "An act for the retirement of employees in the classified civil service, and for other purposes," approved May 22, 1920, and acts in amendment thereof; to the Committee on the Civil Service.

By Mr. KELLY: A bill (H. R. 8203) to provide for parcel fee for parcel-post mail matter in excess of 4 ounces in weight; to the Committee on the Post Office and Post Roads.

By Mr. GARBER: A bill (H. R. 8204) to provide for the reopening of the Otoe Indian Boarding School, Okiahoma, and to appropriate money for its maintenance; to the Committee on Indian Affairs.

By Mr. REED of Arkansas: A bill (H. R. 8205) to prevent the sale of cotton and grain in futures markets; to the Committee on Agriculture.

By Mr. GRAHAM of Pennsylvania: A bill (H. R. 8206) to amend the Judicial Code, and to further define the jurisdiction of the circuit courts of appeals and of the Supreme Court, and for other purposes; to the Committee on the Judiciary.

By Mr. MORROW: A bill (H. R. 8207) to extend the provisions of the homestead law so as to allow certain credit, in lieu of permanent improvements, for the period of enlistment to soldiers, nurses, and officers of the Army, and the seamen, marines, nurses, and officers of the Navy and the Marine Corps of the United States; to the Committee on the Public Lands.

By Mr. COLE of Ohio: A bill (H. R. 8208) amending the act of August 2, 1919, to increase the pay of certain employees of the Government Printing Office, and for other purposes; to the Committee on Printing.

By Mr. DENISON: A bill (H. R. 8209) to create the Inland Waterways Corporation for the purpose of carrying out the mandate and purpose of Congress as expressed in sections 201 and 500 of the transportation act, and for other purposes; to the Committee on Interstate and Foreign Commerce.

By Mr. GRAHAM of Pennsylvania: A bill (H. R. 8210) to fix the salaries of officers and employees of the Court of Appeals of the District of Columbia, the Supreme Court of the District of Columbia, the United States Court of Claims, and the United States Court of Customs Appeals; to the Committee on the Judiciary.

By Mr. CONNERY: Memorial of the Legislature of the State of Massachusetts favoring passage by Congress of legislation

Increasing the compensation of postal employees; to the Committee on the Post Office and Post Roads.

Also, memorial of the Legislature of the State of Massachusetts requesting Congress to appropriate funds to carry out certain recommendations of the Chief of Staff of the United States Army made in furtherance of the national defense act of 1920; to the Committee on Military Affairs.

#### PRIVATE BILLS AND RESOLUTIONS.

Under clause 1 of Rule XXII, private bills and resolutions were introduced and severally referred as follows:

By Mr. BLAND: A bill (H. R. 8211) to correct the military record of Abraham Hetrick; to the Committee on Military Affairs.

By Mr. DENISON: A bill (H. R. 8212) granting an increase of pension to Lizzie Wright; to the Committee on Invalid Pensions.

By Mr. DOWELL: A bill (H. R. 8213) granting an increase of pension to Jane E. Hart; to the Committee on Invalid Pensions.

Also, a bill (H. R. 8214) granting an increase of pension to Rachel Morris; to the Committee on Invalid Pensions.

By Mr. DYER: A bill (H. R. 8215) granting an increase of pension to Robert H. Seidel; to the Committee on Pensions.

By Mr. GLATFELTER: A bill (H. R. 8216) granting an increase of pension to Maria Heusner; to the Committee on Invalid Pensions.

Also, a bill (H. R. 8217) granting an increase of pension to Laura J. Nonemaker; to the Committee on Invalid Pensions.

By Mr. GREEN of Iowa: A bill (H. R. 8218) granting a pension to Emma E. Blake; to the Committee on Invalid Pensions.

By Mr. JOHNSON of South Dakota: A bill (H. R. 8219) granting a pension to Emma L. Dugent; to the Committee on Invalid Pensions.

By Mr. MAPES: A bill (H. R. 8220) granting an increase of pension to Sylvester B. Brött; to the Committee on Invalid Pensions.

By Mr. RUBEY: A bill (H. R. 8221) granting a pension to Ellen Lessing; to the Committee on Invalid Pensions.

By Mr. SWING: A bill (H. R. 8222) for the relief of Robert C. Osborne; to the Committee on the Post Office and Post Roads.

By Mr. TABER: A bill (H. R. 8223) granting a pension to Harriet D. Rackham; to the Committee on Invalid Pensions.

By Mr. WEFALD: A bill (H. R. 8224) granting a pension to William Roof; to the Committee on Invalid Pensions.

By Mr. WOODRUFF: A bill (H. R. 8225) granting a pension to Fannie Teeple; to the Committee on Invalid Pensions.

Also, a bill (H. R. 8226) granting a patent to the First State Savings Bank of Gladwin, Mich.; to the Committee on the Public Lands.

#### PETITIONS, ETC.

Under clause 1 of Rule XXII, petitions and papers were laid on the Clerk's desk and referred as follows:

2012. By Mr. ARNOLD: Petition of city and district committee of the Workmen's Circle of Rhode Island, protesting against the passage of the Johnson immigration bill; to the Committee on Immigration and Naturalization.

2013. Also, petition of sundry citizens of Keensburg, Ill., asking for the passage of legislation which would materially reduce immigration to this country, and further asking that the base of percentage be the 1890 census; to the Committee on Immigration and Naturalization.

2014. By Mr. CRAMTON: Petition of the Business Men's Association, Mount Clemens, Mich., urging favorable action on the bill proposing increase in salary for postal employees; to the Committee on the Post Office and Post Roads.

2015. Also, petition of the Parent-Teacher Association, Fairgrove, Mich., urging favorable action on the child-labor amendment; to the Committee on the Judiciary.

2016. Also, petition of C. H. King and the other rural carriers at Marlette, Mich., urging favorable action on the Paige bill (H. R. 7016); to the Committee on the Post Office and Post Roads.

2017. By Mr. FULLER: Petition of Sherres-Gillett Co., of Chicago, Ill., opposing House bill 762; to the Committee on Agriculture.

2018. By Mr. KING: Petition of the Dorothy Quincy (Ill.) Chapter of the Daughters of American Revolution, in favor of Towner-Sterling educational bill, fireproof archives building, and migratory bird bill; to the Committee on Education.

2019. Also, petition of Colonel Jonathan Latimer Chapter, D. A. R., for the adoption of the Star Spangled Banner as

the national anthem of the United States; to the Committee on the Library.

2020. Also, petition of Hon. John T. Doyle, secretary Civil Service Commission, in re House bill 7495.

2021. Also, petition of M. C. Foster and 30 other citizens of Table Grove, Ill., and vicinity, urging the repeal of tax on trucks, parts, etc.; to the Committee on Ways and Means.

2022. Also, petition of the Association of Drainage and Levee Districts of Illinois, at its meeting in Beardstown, held December 14, 1923; to the Committee on Rivers and Harbors.

2023. Also, petition of the Atkinson, Ill., Women's Club, favoring the Johnson immigration bill and the Porter narcotic bill; to the Committee on Immigration and Naturalization.

2024. Also, petition of Subordinate Lodge No. 122, of the Croatian League of Illinois, protesting against the passage of a "selective immigration act"; to the Committee on Immigration and Naturalization.

2025. By Mr. LEAVITT: Petition of Terry, Mont., Post of the American Legion, indorsing the Johnson immigration bill; to the Committee on Immigration and Naturalization.

2026. By Mr. MAGEE of New York: Petition of Secretary John Cappon and other members of the International Association of Machinists, Syracuse Lodge, No. 381, in favor of House bill 2702, requiring that all strictly military supplies be manufactured in Government-owned navy yards and arsenals, etc.; to the Committee on Naval Affairs.

2027. By Mr. O'CONNELL of Rhode Island: Petition of members of the city and district committee of the Workmen's Circle of Rhode Island, opposing the Johnson immigration bill; to the Committee on Immigration and Naturalization.

2028. By Mr. PATTERSON: Petition of numerous citizens of Camden County, N. J., for modification of the Volstead Act; to the Committee on the Judiciary.

2029. By Mr. PERKINS: Petition of Rev. Gaetano Iorizzo and other foreign-born American citizens living in the vicinity of Hackensack, N. J., requesting the Congress to be considered for Italy and other races of southern Europe in the immigration legislation (H. R. 7995) about to be considered by the House of Representatives; to the Committee on Immigration and Naturalization.

2030. Also, petition of Pasquale Ciccone and others, representing The Sons of Italy, all naturalized citizens of the United States and living in the State of New Jersey, requesting the Congress to be fair with Italy and the races of southern Europe in determining the immigration legislation, so there will be no unjust discrimination; to the Committee on Immigration and Naturalization.

2031. By Mr. SMITH: Petition of Woman's Christian Temperance Union, Blackfoot, Idaho, protesting against legislation providing amendment to Volstead Act permitting 2.75 per cent beer; to the Committee on the Judiciary.

2032. By Mr. TEMPLE: Petition of Lodge August Bebel, No. 259, S. N. P. J., Meadowlands, Pa., protesting against certain proposals before the Congress of the United States regulating immigration; to the Committee on Immigration and Naturalization.

2033. By Mr. THOMPSON: Petition of Fulton County (Ohio) Board of Education, expressing disapproval of the proposal to establish a Federal department of education; to the Committee on Education.

#### SENATE.

WEDNESDAY, March 26, 1924.

(Legislative day of Monday, March 24, 1924.)

The Senate met at 12 o'clock meridian, on the expiration of the recess.

Mr. CURTIS. Mr. President, I suggest the absence of a quorum.

The PRESIDENT pro tempore. The Secretary will call the roll.

The principal clerk called the roll, and the following Senators answered to their names:

Adams	Caraway	Ferris	Heflin
Ashurst	Colt	Fess	Howell
Ball	Copeland	Fletcher	Johnson, Minn.
Bayard	Couzens	Frazier	Jones, N. Mex.
Borah	Cummins	George	Jones, Wash.
Brandegee	Curtis	Gerry	Kendrick
Brookhart	Dale	Glass	Keyes
Broussard	Dial	Gooding	King
Bruce	Dill	Hale	Ladd
Bursum	Edge	Harrell	Lodge
Cameron	Edwards	Harris	McKellar
Capper	Elkins	Harrison	McKinley